

A decorative border with a repeating floral and leaf pattern in black and white, framing the entire page.

## **Agenda Item #8a –**

### **Municipal Service Review & Sphere of Influence Update for the City of Huntington Beach (MSR 06-01 & SOI 06-02)**



March 8, 2006

CHAIR  
**ROBERT BOUER**  
Councilmember  
City of Laguna Woods

VICE CHAIR  
**BILL CAMPBELL**  
Supervisor  
Third District

**PETER HERZOG**  
Councilmember  
City of Lake Forest

**ARLENE SCHAFER**  
Director  
Costa Mesa  
Sanitary District

**SUSAN WILSON**  
Representative of  
General Public

**TOM WILSON**  
Supervisor  
Fifth District

**JOHN WITHERS**  
Director  
Irvine Ranch Water District

ALTERNATE  
**PATSY MARSHALL**  
Councilmember  
City of Buena Park

ALTERNATE  
**RHONDA MCCUNE**  
Representative of  
General Public

ALTERNATE  
**JAMES W. SILVA**  
Supervisor  
Second District

ALTERNATE  
**CHARLEY WILSON**  
Director  
Santa Margarita  
Water District

**JOYCE CROSTHWAITE**  
Executive Officer

**TO:** Local Agency Formation Commission

**FROM:** Executive Officer  
Project Manager

**SUBJECT:** Proposed Municipal Services Review and Sphere of  
Influence Review for the City of Huntington Beach (MSR 06-  
01 and SOI 06-02)

### **BACKGROUND**

The attached report includes the Municipal Service Review (MSR) and Sphere of Influence (SOI) review and update for the City of Huntington Beach. LAFCOs are required by statute (Government Code Section 56430) to conduct MSRs as a way to assist agencies and residents by: (1) evaluating existing municipal services, and (2) identifying any future constraints or challenges that may impact service delivery in the next 15 to 20 years.

LAFCOs are also required to complete Sphere of Influence (SOI) reviews in conjunction with Municipal Service Reviews for each city and special district at least once every five years. SOIs identify an agency's ultimate service boundary within a 15-year time horizon. An SOI is used as a long range planning tool that guides future LAFCO decisions on individual jurisdictional boundary changes.

### **MUNICIPAL SERVICE REVIEW (MSR)**

No significant issues were identified. However, a government structure option identified in the MSR report addressed the unincorporated community of Sunset Beach. Sunset Beach is bordered by the City on the north, south, and east and, currently some municipal services to the area are provided by the City. Sunset Beach will likely face significant challenges in the next 15 to 20 years and the MSR report identifies the City of Huntington Beach as the most logical service provider to the Sunset Beach area.

Staff is recommending that the Commission receive and file the MSR report (**Attachment A**) and adopt the nine MSR determinations contained therein.

### **SPHERE OF INFLUENCE (SOI)**

The City's existing SOI was originally adopted in 1973 and last comprehensively reviewed by LAFCO in 1989. Consisting of approximately 19,359 acres, the City of Huntington Beach's sphere of influence includes the existing city limits and two adjacent unincorporated areas – the Bolsa Chica Ecological Reserve (approximately 1,588 acres) and a small island (approximately 41 acres) located at Beach/McFadden Avenues, sandwiched between the Cities of Huntington Beach and Westminster. Annexations to the City have been relatively few and the SOI has remained unchanged since 1989.

Spheres generally identify territory that will likely receive municipal services from a city in the next 15 years. Recently, LAFCO has engaged in discussions with Huntington Beach and landowners within the Bolsa Chica Reserve area regarding potential annexations. Because of potential annexation applications in this area, the portion of the City's sphere of influence that includes the Bolsa Chica area is not included in this SOI review. Instead, the SOI for this area will be reviewed and presented concurrently with the Hearthside Homes proposal. Should the City propose annexation of the remaining Bolsa Chica area that application will also be reviewed at that time.

At this time, the City has expressed no interest in annexing the 41-acre area located at Beach/McFadden Avenues. Staff recommends contacting the City of Westminster to explore any interest in annexation of the area.

The unincorporated community of Sunset Beach is bordered to the north, south and east by the City of Huntington Beach and historically has not been placed within any city's sphere of influence. The City of Huntington Beach currently provides some services to the community including water, transmission of wastewater, and emergency services (via automatic and mutual aid). In review of the factors that the Commission must consider pursuant to Government Code Section 56425, staff recommends that the community of Sunset Beach be placed within the City of Huntington Beach Sphere of Influence.

Staff recommends that the Commission receive and file the Huntington Beach SOI report (**Attachment A**), amending the City's Sphere of Influence to include the unincorporated community of Sunset Beach, adopt the SOI Statement of Determinations for the City of Huntington Beach sphere as contained therein.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

### *City of Huntington Beach Municipal Services Review*

LAFCO is the lead agency under CEQA for municipal service reviews. As a general rule, MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) because they are only feasibility or planning studies for *possible* future action that LAFCO has not approved (Cal. Pub. Res. Code § 21150). However, a Draft Negative Declaration for the City of Huntington Beach MSR has been prepared in light of the annexation application that has been filed with LAFCO for an area located within the Bolsa Chica Ecological Reserve and potential inclusion of a coastal area (Sunset Beach) in the City's Sphere of Influence. (**Attachment B**, Draft Negative Declaration for Municipal Service Review for the City of Huntington Beach) The Draft Negative Declaration was prepared and noticed in accordance with existing guidelines for implementing CEQA.

### *City of Huntington Beach Sphere of Influence Review*

LAFCO is the lead agency under CEQA (California Environmental Quality Act) for sphere of influence reviews. Staff completed an initial study, and it was determined that adoption of the sphere of influence for the City of Huntington Beach would not have a significant effect on the environment as determined by CEQA. Accordingly, a Draft Negative Declaration (**Attachment C**) was prepared and noticed in accordance with existing guidelines for implementing CEQA.

Additionally, staff recommends that the Commission certify that, based upon these Negative Declarations, the Municipal Service Review and Sphere of Influence Review and Update of the City of Huntington Beach will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code, and direct staff to file *de minimus* statements with California Wildlife, Fish and Game (**Attachment D & E**).

## **RECOMMENDATIONS**

Staff recommends that the Commission:

1. Receive and file the Municipal Service Review/Partial Sphere of Influence Report for the City of Huntington Beach (**Attachment A**).
2. Adopt the Draft Negative Declaration (**Attachment B**) prepared for the Municipal Service Review.
3. Adopt the Draft Negative Declaration (**Attachment C**) prepared for the proposed Sphere of Influence update.
4. Certify the *De Minimus* Impact Finding Statements for the California Wildlife, Fish and Game Department (**Attachment D & E**).

5. Adopt the resolution for the City of Huntington Beach Municipal Service Review adopting the nine MSR determinations (**Attachment F**).
6. Adopt the resolution for the City of Huntington Beach Sphere of Influence Update adopting the Statement of Determinations and amending the current SOI for the City of Huntington to include the unincorporated community of Sunset Beach (**Attachment G**) per the attached (*Exhibit 1*).

Respectfully submitted,

---

JOYCE CROSTHWAITE

---

CAROLYN EMERY

Attachments:

Attachment A: MSR/SOI Report

Attachment B: Draft Negative Declaration for MSR

Attachment C: Draft Negative Declaration for Partial SOI Review & Update

Attachment D: De Minimus Statement of Findings for MSR

Attachment E: De Minimus Statement of Findings for Partial SOI Review & Update

Attachment F: LAFCO Resolution – MSR

Attachment G: LAFCO Resolution – SOI Review & Update

Attachment H: Comment Letters

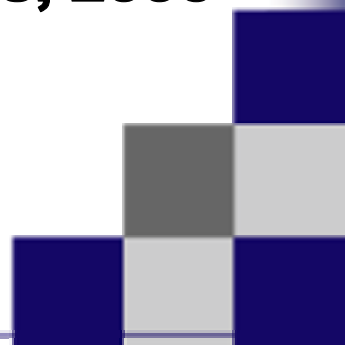
Exhibit 1: Amended Sphere of Influence for City of Huntington Beach



# **MUNICIPAL SERVICE REVIEW AND PARTIAL SPHERE OF INFLUENCE REVIEW AND UPDATE**

**City of Huntington Beach**

**March 8, 2006**





## Table of Contents

Table of Contents .....	2
EXECUTIVE SUMMARY.....	3
INTRODUCTION.....	4
<i>Municipal Service Reviews (MSRs) -- Government Code §56430.....</i>	<i>5</i>
<i>Sphere of Influence Reviews and Updates – Government Code §56425 .....</i>	<i>5</i>
History of MSR Area.....	7
MSR Determinations.....	10
<i>INFRASTRUCTURE NEEDS AND DEFICIENCIES .....</i>	<i>10</i>
<i>GROWTH AND POPULATION PROJECTIONS.....</i>	<i>14</i>
<i>FINANCING CONSTRAINTS AND OPPORTUNITIES.....</i>	<i>18</i>
<i>COST AVOIDANCE OPPORTUNITIES/OPPORTUNITIES FOR SHARED FACILITIES .....</i>	<i>20</i>
<i>OPPORTUNITIES FOR RATE RESTRUCTURING.....</i>	<i>20</i>
<i>GOVERNMENT STRUCTURE OPTIONS.....</i>	<i>21</i>
<i>LOCAL ACCOUNTABILITY AND GOVERNANCE.....</i>	<i>22</i>
SERVICE REVIEW DETERMINATIONS.....	24
CITY OF HUNTINGTON BEACH SPHERE OF INFLUENCE REVIEW & UPDATE.....	27
<i>RECOMMENDATIONS.....</i>	<i>33</i>
STATEMENT OF DETERMINATIONS.....	34



## **EXECUTIVE SUMMARY**

The purpose of this report is to provide a comprehensive review of municipal services provided by the City of Huntington Beach and to update the City's sphere of influence. Municipal Service Reviews (MSRs), which are required by the Cortese-Knox-Hertzberg Act of 2000, must be completed before (or concurrently with) an agency's sphere of influence update. Spheres of influence for all agencies (cities and special districts) must be updated every five years.

## **MUNICIPAL SERVICE REVIEW SUMMARY**

No significant issues were noted in the MSR. The City of Huntington Beach is projected to have modest growth over the next 15 years and like other municipalities of similar age, there are deferred maintenance issues with a backlog of infrastructure needs not met with adequate funding. While the City has experienced substantial revenue reductions due to shifts in local revenues to the State and a recent Supreme Court ruling, the City has taken adequate budget measures to ensure that services will remain at current levels. Huntington Beach is a full-service city that provides a range of municipal services to its residents including building and planning, redevelopment, fire, police, library, parks and recreation, and public works (including water, sewer and storm drainage). The City currently contracts with the County of Orange for animal control services and a private contractor for solid waste collection and recycling. The City uses a variety of means to increase local accountability and governance. No issues with rate restructuring or management efficiencies were identified.

## **SPHERE OF INFLUENCE REVIEW & UPDATE SUMMARY**

The City of Huntington Beach's sphere of influence includes the existing city limits and two adjacent unincorporated areas – the Bolsa Chica Ecological Reserve (approximately 1,588 acres) and a 41-acre area located in the northeast section of the city. The City's SOI was originally adopted in 1973 and last comprehensively reviewed and reaffirmed by LAFCO in 1989. Since then, annexations to the City have been relatively few and the SOI has remained unchanged.

Recently, Hearthside Homes, a landowner within the Bolsa Chica area, filed an annexation application with LAFCO. The City has also begun exploring annexation of the remaining Bolsa Chica Reserve area. There are currently no efforts to explore the annexation of Bolsa Chica above and beyond the steps taking place in conjunction with the Hearthside development. Because of potential annexation applications in this area, the portion of the City's sphere of influence that includes the Bolsa Chica area is not





included in this SOI update. Instead, the SOI for Bolsa Chica will be reviewed and presented concurrently with the Hearthside Homes proposal. Should the City propose annexation of the remaining Bolsa Chica area, that application will also be reviewed at that time.

The other unincorporated area within the City's sphere is a 41-acre located at Beach and McFadden Avenues and sandwiched between two cities – Huntington Beach and Westminster. Spheres generally identify territory that will likely receive municipal services from a city in the next 15 to 20 years. If annexation of this area to the City of Huntington Beach does not occur in the near future, LAFCO should consider including it in the sphere of influence for the City of Westminster. Both cities could provide services, but to date, neither city has expressed interest in annexing the area.

The unincorporated community of Sunset Beach is located west of the City of Huntington Beach. It has never been placed within any city's sphere of influence primarily due to opposition of residents as well as the community's identity and unique mix of land uses. However, the City of Huntington Beach currently provides (directly and indirectly) some services to the community including water, transmission of wastewater, and emergency services (via automatic and mutual aid). The City of Huntington Beach is the most logical service provider for municipal level services in the next 15-20 years should the community decide it wants increased services. Placing Sunset Beach within the City's sphere of influence does not require subsequent annexation. It does, however, recognize the current and future service and social/economic ties between the community and the City. Therefore, staff recommends that the community of Sunset Beach be placed within the City of Huntington Beach Sphere of Influence.

## **INTRODUCTION**

In 2000, the State of California Legislature broadened LAFCOs authority by directing the agency to conduct comprehensive reviews of the delivery of municipal services provided in the County and any other area deemed appropriate by the Commission. Additionally, legislators directed LAFCOs to complete sphere of influence reviews and updates of agencies under LAFCO's jurisdiction not less than every five years.



## **Municipal Service Reviews (MSRs) -- Government Code §56430**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCO review municipal services before updating the spheres of influence and to prepare a written statement of determination with respect to each of the following:

- 1) Infrastructure needs or deficiencies;
- 2) Growth and population projections for the affected area;
- 3) Financing constraints and opportunities;
- 4) Cost avoidance opportunities;
- 5) Opportunities for rate restructuring;
- 6) Opportunities for shared facilities;
- 7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
- 8) Evaluation of management efficiencies; and
- 9) Local accountability and governance.

The MSR process does not require LAFCO to initiate changes of organization based on service review findings; it only requires that LAFCO make determinations regarding the provision of public services per Government Code Section 56430. As a general rule, MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) because they are only feasibility or planning studies for *possible* future action that LAFCO has not approved (Cal. Pub. Res. Code § 21150). However, a Negative Declaration for the City of Huntington Beach MSR has been prepared in light of the annexation application that has been filed with LAFCO for an area located within the Bolsa Chica Ecological Reserve and potential inclusion of a coastal area (Sunset Beach) in the City's Sphere of Influence. The ultimate outcome of conducting a service review, however, may result in LAFCO taking discretionary action on a change of organization or reorganization.

## **Sphere of Influence Reviews and Updates – Government Code §56425**

LAFCO is also charged with adopting a sphere of influence for each city and special district within the county. A sphere of influence is a planning boundary that designates the agency's probable future boundary and service area. Spheres are planning tools used by LAFCO to provide guidance for individual proposals involving jurisdictional changes. Spheres ensure the provision of efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands. The



Cortese-Knox-Hertzberg (CKH) Act requires LAFCO to develop and determine the sphere of influence of each local governmental agency within the county, and to review and update the SOI every five years. In determining the SOI, LAFCO must address the following:

- 1) Present and planned land uses in the area, including agricultural and open-space lands;
- 2) Present and probable need for public facilities and services in the area;
- 3) Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide; and
- 4) Existence of any social or economic communities of interest in the area if LAFCO determines that they are relevant to the agency.



## History of MSR Area<sup>1</sup>

Located in the northwestern portion of Orange County, the City of Huntington Beach is approximately 27.7 square miles. Internationally known as “Surf City,” the City boundaries include eight miles of scenic and accessible beachfront, the largest stretch of uninterrupted beachfront on the West Coast. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean (See attached location map -- Exhibit 1).



At the onset of the 1900's, Philip A. Stanton and Col. H.S. Finley, two businessmen visited the area and believed that it had potential for becoming a west coast resort rivaling Atlantic City, New Jersey. Strongly believing in the area's potential, Stanton and Finley began developing 1,500 acres around Main Street, one of the main arterials in the City today. The first land holdings were referred to as Pacific City. Over the course of the next couple of years, the land changed ownership

and was purchased by businessman, Henry E. Huntington for whom the city was eventually named.

Huntington Beach incorporated in 1909 and in 1920 oil was discovered. What was once a small village quickly mushroomed into a booming community. A few years following the oil discovery, a major arterial (Pacific Coast Highway) was constructed, providing access to 8.5 miles of virgin beach earning the City its renown as “Surf City.” By the 1950's and 1960's, Huntington Beach had become the fastest growing city in the nation.

Today, the City of Huntington Beach is home to approximately 200,000 residents and attracts approximately 11 million visitors on the weekends, for special events, and especially during the summer. The city's reputation is enriched by its ranking as one of the ten safest cities in the nation for cities of similar size by the “City Crime Rankings” and the presence of a variety of fine arts, museums and a strong cultural foundation.

<sup>1</sup> [www.ci.huntington-beach.ca.us](http://www.ci.huntington-beach.ca.us)

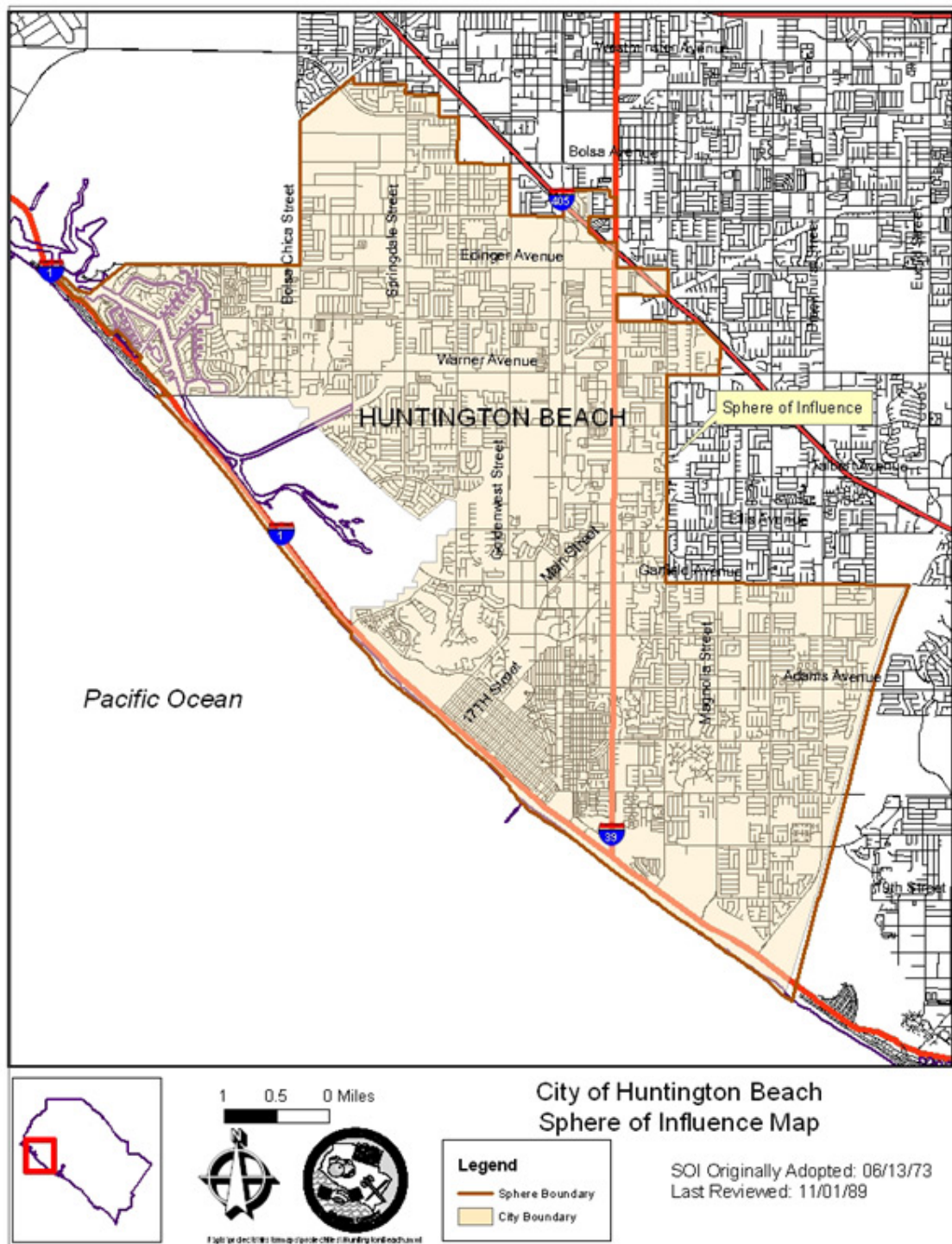


The City features one of the largest recreational piers in the world and often is the host to professional sporting events as surfing, volleyball and skateboarding.





## Exhibit 1 - City of Huntington Beach Sphere of Influence





## MSR Determinations

This section of the report addresses the nine determinations in accordance with Government Code Section 56430. The determinations are statements that draw conclusions, based on data related to agency operations and services, infrastructure, population and growth projections, and fiscal data. The nine municipal service review determinations are interdependent and some of the issues related to each of the nine determinations may overlap.

## INFRASTRUCTURE NEEDS AND DEFICIENCIES

This determination addresses the adequacy of existing and planned infrastructure needed to accommodate future growth and the efficient delivery of public services. The City or other agencies provide services to Huntington Beach residents as summarized in *Table 1, Levels of Service for Community Services*, below:

*Table 1 - Levels of Service for Community Services*

Service	Current Provider	Community Service Standard	Proposed Change
Animal Control	County of Orange/Animal Care Services	N/A	None
City Attorney	City of Huntington Beach	N/A	None
Planning/Redevelopment	City of Huntington Beach	N/A	None
Fire/Paramedic	City of Huntington Beach	Maintain a 5-minute emergency response time 80 percent of the time	Arterial Highway improvements, construction of new fire station, relocation of existing fire station
Library	City of Huntington Beach	Ensure a high level of library services and facilities are provided to City residents	None
Parks/Recreation	City of Huntington Beach	5 acres of park per 1,000 population	None
Police	City of Huntington Beach	1.5 officers per 1,000 population	None
Solid Waste Collection and Recycling	Rainbow Disposal (Private Contractor)	Maintain solid waste collection services in accordance with the Integrated Waste Management Act of 1989 (AB 939)	None
Public Works (including, Water, Sewer, and Storm Drainage)	City of Huntington Beach	Provide adequate levels of water, sewer and storm drain services to meet projected	None



		demand and ensure public safety	
Cable Television	Time Warner Communications	N/A	None

The City's General Plan establishes levels of service for municipal level services to ensure orderly growth and development and that services and facilities will be provided concurrent with need. To implement the community service standards, the City adopts an annual budget and a 5-year capital improvement program (CIP) to ensure that service levels are maintained or improved and that the CIP is adequately funded. Like other municipalities of similar age, there are deferred maintenance issues with a backlog of infrastructure needs not met with adequate funding.

For FY 2005-2006, the CIP budget allocates over \$45,000,000 to enhance existing infrastructure and provide new facilities to aid in service delivery for the City of Huntington Beach. Included in the 2005-2006 CIP are summarized in *Table 2*, below:

***Table 2 - City of Huntington Beach FY 2005-2006 CIP Improvements***

Expense Category	Amount Allocated
Drainage and Storm Water Quality	\$540,000
Facility Improvements/Major Maintenance (library, fire station, city hall, police station)	\$2,239,410
Neighborhood Improvements (ramps, pavement, trees, streetlights)	\$5,110,000
Parks	\$1,417,000
Sewer	\$8,740,000
Transportation/Streets	\$15,951,251
Water	\$11,813,000
<b>TOTAL</b>	<b>\$45,810,825</b>

### **Fire and Paramedic**

The City of Huntington Beach Fire Department has seven fire stations located throughout the City. The City operates on a 24-hour shift basis with one command unit staffed with two persons, seven paramedic engine companies staffed with four persons each, a combination engine, hazmat/light air company staffed with three, two ladder truck companies staffed with four persons each, and three ambulance units staffed with two persons each. This provides a daily total of 41 firefighters supported by dispatchers and administrative staff. Staffing levels are increased when fire risk levels are higher during high winds, active fire conditions or natural disasters.

Additional staff is available, as needed, through mutual aid and automatic aid agreements with other cities. The City receives and provides staffing assistance from





and to other fire agencies on a county-wide and statewide basis through the Office of Emergency Services when a large fire or disaster occurs. Local automatic aid agreements with Orange County and the Cities of Westminster, Santa Ana, Newport Beach, Fountain Valley and Costa Mesa Fire Departments enable the participating cities' and county calls to be answered by the closest available emergency units regardless of jurisdiction in which the calls occur. The current automatic aid agreements provide each of the cooperating cities with a five alarm capability.

Based on its performance, the City's Fire Department has received a "Class 1 Fire Rating." The City's General Plan Growth Management Element identifies the emergency response time objective, including participation by other cities in the automatic aid agreement, as the arrival of the first fire or paramedic unit within five minutes, 80 percent of the time. Two areas in the City are deficient in meeting the response time objective - a large portion of the Huntington Harbour area and an area along PCH, between Goldenwest Street and Seapoint, extending around the top of the Bolsa Chica upper mesa area. The City proposes to remedy this situation by constructing Master Plan of Arterial Highway improvements for new developments, a new fire station at the proposed Cross Gap Connector and Springdale Street, and by relocating the Heil Station to a new location at Graham and Production Streets.

### Police

The City of Huntington Beach provides police services through one central police station, located at City Hall, and four substations located throughout the City. According to the City's General Plan, at the five stations there are 371 personnel (229 sworn officers and 142 civilian or non-sworn employees) equating to a 1.2 ratio of officers per thousand population.

The Police Department assigns priorities to its calls for service depending on the nature of the calls. The current average response time, by priority, is as follows:

- Priority 1 - Emergencies, 7.28 minutes
- Priority 2 - Some urgency, 11.28 minutes
- Priority 3 - Non-emergencies, 20.17 minutes

The Police Department has a number of programs designed to reduce crimes, including: Neighborhood Watch and Crime Prevention, School Safety Program, Critical Accident Suppression Enforcement Team, Special Gang Enforcement Unit, Senior Patrol, Citizen Police Academy, Beach Patrol and the Anti-Crime Coalition.



In order to meet the desired 1.5 ratio of officers per thousand population, the Police Department would have to hire 56 additional officers, resulting in a total of 285 sworn officers. As the City's population grows, additional personnel will be needed to maintain an acceptable ration of officers per thousand population.

### Parks and Recreation

The Huntington Beach park system consists of 71 parks which total 577 acres. These include six mini parks totaling 2.7 acres, 58 neighborhood parks totaling 157.39 acres, seven community parks totaling 143.28 acres and two regional parks comprising 274 acres. Regional facilities adjacent to Huntington Beach include the Sunset Aquatic Park (95 acres/260 boat slips), Mile Square Park in Fountain Valley (632 acres) and the Bolsa Chica Ecological Preserve (300 acres).

Huntington Beach also contains approximately nine miles of shoreline, including the Bolsa Chica and Huntington State Beaches, operated by the California State Department of Parks and Recreation, and Huntington City Beach, operated by the City. These beaches encompass a total of approximately 380 acres. According to the City's General Plan, the three beaches have an annual visitation rate estimated at 15 million visitors.



The City's park standard is five acres of parkland per 1,000 population. Combining the City's park acreage (577 acres) and the beach park acreage (380 acres) provides the City with 956 acres of total parkland. Using a 2003 State Department of Finance population

estimate for the City of 196,954, the City falls only 29 acres short of fully meeting the General Plan's park and recreation goal of 5 acres of parkland per 1,000 population.

### Sewer

The City owns, operates and maintains a wastewater collection and pumping system. The collection system is comprised of approximately 360 miles of wastewater pipelines ranging in size from 6 to 30 inches in diameter. Approximately 85 percent of the City's wastewater pipelines are 8 inches in diameter. The predominant material of these pipelines is vitrified clay pipe (VCP). Due to the City's generally flat conditions, the City also operates and maintains 27 lift stations.

Construction of the City's collection system began before 1900. However, the majority of the system was constructed to support the rapid growth that began in the 1960's.



Although the City is largely built-out, and only a minimal increase in flow is projected, the City has recognized that the condition of the infrastructure needs to be further quantified and additional proactive measures for long-term reliability implemented. In recognition of this need, in August 2001, the City adopted a new sewer service charge to provide the necessary funding for ongoing investment. In recognition of this need, beginning in 1998, the City funded over \$7 million in sewer infrastructure upgrades by mid-2001 primarily in the Old Town and Downtown areas and in August 2001, the City adopted a Sewer Master Plan to identify system deficiencies and prioritize infrastructure improvements to ensure reliable and uninterrupted wastewater service to Huntington Beach residents. As identified earlier in this section, almost \$9 million in capital sewer improvements have been approved by the City in FY 2005-2006.

### Water

The Huntington Beach Public Works Utilities Division supplies approximately 34 million gallons of water per day to 52,000 water meters. From 1936 to 1964, the water system serving Huntington Beach was owned and operated by the Southern California Water Company. In 1964, the City purchased the private system and the City's Water Division was established as the Public Works Utilities Division. The Public Works Utilities Division is the principal water retailer with the City boundaries and the Sunset Beach area of unincorporated Orange County. Typically, 64 percent of the City's water is supplied by groundwater wells while 36 percent is from imported sources. The City maintains four potable water storage reservoirs with a total capacity of 55 million gallons.

In 1995, the City Council adopted a Water Master Plan (WMP) and an accompanying financial plan. The WMP is designed to develop new water facilities, including new water storage and transmission facilities, to address the growth the City has experienced over the last 25 years. To fund these improvements, a surcharge was established for water customers in December 1995. In addition, a capital facilities charge was instituted on all new residential development. Revenues from these charges are placed into the Water Master Plan Fund and used for capital improvements.

## **GROWTH AND POPULATION PROJECTIONS**

The City of Huntington Beach's population currently includes approximately 200,000 residents. The city encompasses approximately 27.7 square miles that includes 8.5 miles of beachfront territory.<sup>2</sup> The third largest city in Orange County, Huntington Beach has a mix of residential, commercial, industrial, educational, public parks, and beach areas.

<sup>2</sup> City of Huntington Beach General Plan, \*\*\*\*\*



Of the 17,730 acres, 41% represent the residential developments, 16% include commercial and industrial use, with the remaining use involving open space, mixed and other uses (See Table 3, *City of Huntington Beach Land Use Distribution*).

**Table 3 - City of Huntington Beach Land Use Distribution**

Land Use Distribution	Percent
Residential	41%
Commercial	8
Industrial	8%
Institutional	1%
Public Facilities (schools, fire stations, parks, civic center, etc.)	11%
Other (streets, highways, easements, open space, city beach, state beach, vacant land, etc.)	31%

**Source:** City of Huntington Beach General Plan

The initial increase in population within the City of Huntington Beach began during the oil boom in 1920. As the City continued to thrive economically, socially, and demographically during the 1950s and 1960s, Huntington Beach became one of the fastest growing cities in the nation. Today, the City is ranked as the sixteenth largest City in the State of California.<sup>3</sup>

Although the City's population and economy experienced a growing spurt nearly 50-plus years ago, its growth has stabilized and has been identified by the State Department of Finance among the lowest grown rates in Orange County cities between 1990 and 2000 at 10 percent, and lower than the County-wide average growth rate of 17 percent.<sup>4</sup> By 2008, the City's projected increase in population will be less than 1%, and by year 2020 population will increase only marginally to nearly 230,000 residents is expected.<sup>5</sup> Table 4



<sup>3</sup> City of Huntington Beach website – [www.huntingtonbeach.org](http://www.huntingtonbeach.org)

<sup>4</sup> City of Huntington Beach General Plan, Community Development Chapter 2000-2005 Housing Element.

<sup>5</sup> City of Huntington Beach General Plan.





illustrates the population growth trends for the City of Huntington Beach and surrounding cities over the past 20 years.

*Table 4 – Population Growth Trends, Huntington Beach and Surrounding Cities*

City	1980	1990	2000	1990-2000 Change	% Change
Anaheim	219,311	266,406	310,654	44,248	17%
Costa Mesa	82,562	96,357	106,607	10,250	11%
Fountain Valley	55,080	53,691	56,919	3,228	6%
Huntington Beach	170,505	181,519	199,326	17,807	10%
Newport Beach	62,556	66,643	75,627	8,984	13%
Santa Ana	203,713	293,742	317,685	23,943	8%
Seal Beach	25,075	25,098	27,412	2,314	9%
Westminster	71,133	78,118	87,637	9,519	12%
Total County	1,932,709	2,410,556	2,828,351	417,795	17%

**Source:** Huntington Beach General Plan

The City of Huntington Beach is one of the leading commercial and industrial centers in Southern California. More than 60,000 people are currently employed by over 12,800 businesses in the city.<sup>6</sup> The City's business types vary from aerospace and high technology to manufacturing and construction. The manufacturing business/professional service and construction sectors account for over 75% of all employment in Huntington Beach. Table 5 illustrates the employment by business type for the city.

*Table 5 – Employment by Business Type*

<b>Employment by Business Type-2000 City of Huntington Beach</b>	
<b>Business</b>	<b># Employees</b>
Retail Trade	9,272
Financial/Insurance/Real Estate	2,122
Business/Professional Service	13,768
Construction	10,422
Manufacturing	14,047
Transportation/Communication/Public Utility	1,424

**Source:** City of Huntington Beach General Plan, Community Development Chapter 2000-2005 Housing Element

<sup>6</sup> City of Huntington Beach Comprehensive Annual Financial Report, September 2004



Huntington Beach is characteristically a suburban community with relatively little vacant land remaining for any new development. The City's housing stock includes historic beach cottages clustered around Main Street/pier area, large tracts of single-family homes developed during the 1960s

as well as condominium developments, small multiple-family rental units, lower density duplex and triplex units, and mobile homes that were constructed during the 1970s and 1980s. Huntington Harbour, a water and boat-oriented residential community, was built largely during the 1960s and 1970s. New home development along the inland side of Pacific Coast Highway, and equestrian estates near Central Park, offer high-end housing opportunities within the City. The median value of existing homes start at approximately \$600,000 and rental rates begin at \$985 per month. According to the data derived from the Center for Demographic Research at California State Fullerton, projections for population, dwelling units and employment within the City experience modest increases.



Table 6 -- City of Huntington Beach Population, Housing and Employment Projections

Year	Population	Dwelling Units	Employees
2005	201,692	78,376	88,511
2010	212,893	78,937	91,845
2015	217,957	79,664	94,470
2020	220,759	79,819	96,741

Source: Center of Demographic Research, CSUF

The City's General Plan (adopted May 13, 1996, as amended through June 2004) incorporates an optional Growth Management Element, in addition to the seven mandatory elements of a General Plan that are required by State law. Huntington Beach's Growth Management Element contains policies for the planning and provision of traffic improvements, public services and facilities necessary for orderly growth and development within the city. The City's Growth Management Element is consistent with the policies and programs of other elements of the General Plan.

Additionally, the City has adopted a Capital Improvement Program (CIP) for FY 2005/06 through 2009/10. The CIP budget for FY 2005/06 includes over \$45 million allocated to City capital improvement projects, including water, arterials, sewer,



neighborhoods, transportation, facilities, parks, drainage and storm water quality, and major maintenance. The City has adequately planned for future growth and associated infrastructure through its General Plan and annual capital improvement program (CIP).

No significant issues were noted.

## **FINANCING CONSTRAINTS AND OPPORTUNITIES**

The City of Huntington Beach operates on a federal fiscal year basis, beginning October 1<sup>st</sup> and ending September 30<sup>th</sup>. The City Council adopts an annual budget by September 30<sup>th</sup> that serves as a blueprint for city residents on how their local tax dollars are spent. The most recent budget adopted was for the FY 2005-2006 period. Staff continues to monitor the budget throughout the year and mid-year adjustments are made when necessary.

Preparation of the budget for FY 2005-2006 proved to be a challenge for City staff especially in the wake of the loss of \$2.5 million in revenue to the State of California and the loss of \$5.8 million as a result of a recent Supreme Court decision to prohibit the charging of a franchise fee (in-lieu) to one of the enterprise funds. Much like most of the cities in Orange County and throughout California, the City was faced with developing a budget to meet the demands for services under the financial constraints resulting from the court's decision and the state's ongoing budget crisis. Both losses have negatively impacted the city's General Fund.

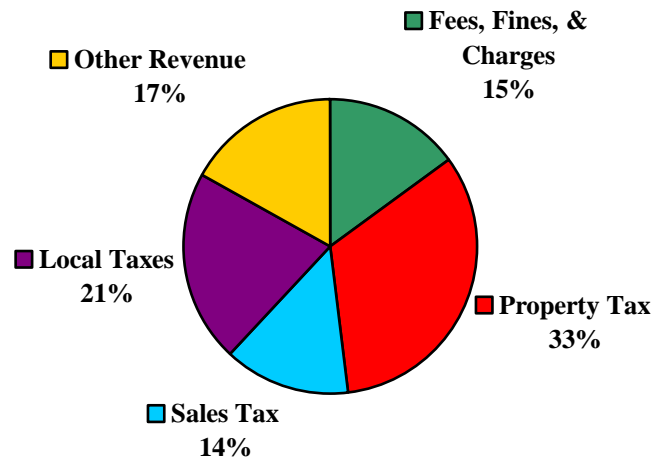
The City's proposed FY 2005-2006 budget, including all funds, totals \$329,122,806, which includes carryover appropriations from FY 2004-2005 and an overall increase of 6.9 percent from the previous year.<sup>7</sup> Revenues for the General Fund are projected at \$161,581,630 with the General Fund Expenditures slightly exceeding at \$171,993,087 (see following charts). The City will use monies from the reserve fund balance to cover costs. The fund balance from FY 2004/05 was a result of prudent fiscal management and unfilled staff vacancies. Going forward, the City plans to continue to move cautiously through this budget year as it deals with the impacts of the State "take-away", the loss in the enterprise fund transfer and its commitment to providing quality level services to the residents.

---

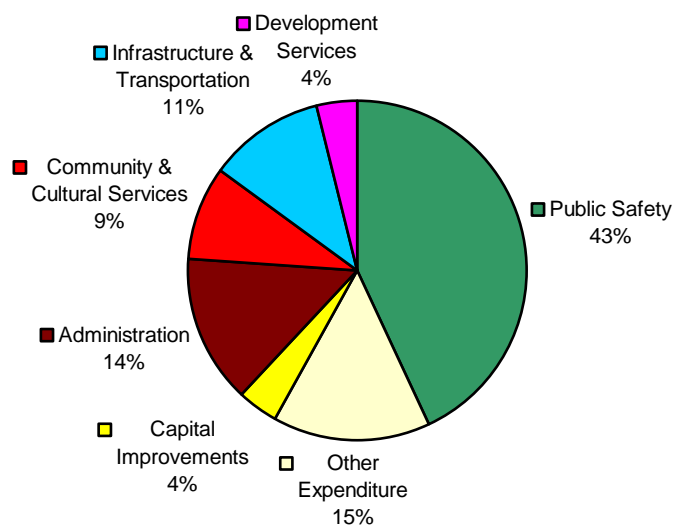
<sup>7</sup> City of Huntington Beach Annual Budget FY 2005/06



**FY '05-06 General Fund Revenue-\$161,581,630**



**FY '05-06 General Fund Expenditures-\$171,993,087**







## **COST AVOIDANCE OPPORTUNITIES/OPPORTUNITIES FOR SHARED FACILITIES**

The City of Huntington Beach provides the following municipal services to its residents: building and planning, redevelopment, fire, police, library, parks and recreation, and public works (including water, sewer and storm drainage). The City currently contracts with the County of Orange for animal control services and a private contractor for solid waste collection.

The City participates in the sharing of facilities and services by providing staffing assistance for emergency services to adjacent and other agencies through mutual agreement.

The City's budget focuses on accomplishing the following goals for FY 2005-2006:

- Cut costs and increase efficiencies wherever possible
- Balance residents' access to service and their ability to pay
- Maximize the available cost sharing opportunities with other levels of government (Federal and State)
- Ensure that anyone who has an interest in the city's budget has the opportunity to participate in the process

No significant issues were noted.

## **OPPORTUNITIES FOR RATE RESTRUCTURING**

The City Council reviews its budget annually and establishes fees and charges for services to ensure that revenues are adequate to meet expected expenses. In the fall of this year, the City Council will be reviewing a new fee study where it will take a look at how much general tax revenues should subsidize various services and which should be self-supporting.

No significant issues were noted.



## **GOVERNMENT STRUCTURE OPTIONS**



The City of Huntington Beach is a full-service city with approximately 1,100 employees and a budget exceeding \$300 million. Its major departments include the City Administrator's office, Administrative Services, Building and Safety, Planning, Library Services, Public Works, Community Services, Economic Development, and Police and Fire. The City Attorney, City Clerk and City Treasurer are elected positions. Animal control services to City residents are provided by

the County of Orange and solid waste collection through a private contractor.

Spheres of influence are planning tools used by LAFCO and cities to plan for the provision of municipal services. The time horizon for an SOI is typically 15 to 20 years at most. The City of Huntington Beach's SOI was originally adopted in 1973 and has for the most part remained unchanged. The majority of the territory that lies within the City of Huntington Beach's SOI is incorporated except approximately 1,600 acres of unincorporated territory. Currently an annexation application has been filed by Hearthside Homes for approximately 111 acres located within the Bolsa Chica Ecological Reserve and the City has begun exploration of the benefits of annexing the remaining area (approximately 1,450 acres). Bolsa Chica is virtually surrounded by the City of Huntington Beach, and there are few other alternatives, other than the County, for service provision to the area.

The City's SOI also includes a 41-acre island located at Beach and McFadden Avenues in the northeast section of Huntington Beach. The island is bordered to the south, north and east by the City of Westminster. At this time, the City of Huntington Beach has expressed no interest in annexing this area. Should annexation of this territory not occur in the near future, LAFCO should consider amending the Huntington Beach SOI to exclude this area. Because of the location of the area, the City of Westminster could be considered as an alternative service provider. Implementation of this alternative would require a sphere adjustment for both cities. LAFCO staff recommends that this area remain in the City of Huntington Beach's sphere of influence until after the MSR/SOI for the City of Westminster is completed (scheduled for 2006).

The Huntington Beach SOI currently does not include the 84-acre Sunset Beach community. LAFCO staff has identified the City of Huntington Beach as the most



logical service provider for the area and is recommending inclusion of this area in the city's sphere. The reasons for the recommendation are summarized below and explained in greater detail in the accompanying sphere of influence report.

- Sunset Beach is bound by Huntington Beach to the north, east, and south
- Some areas surrounding Sunset Beach have been previously annexed to Huntington Beach
- City of Huntington Beach currently provides water service and the transmission of wastewater for Sunset Beach
- Sunset Beach receives police services from the Orange County Sheriff Department. The City of Huntington Beach also provides police services to the area upon request via automatic aid and mutual agreements.
- Sunset Beach receives fire services from the Orange County Fire Authority. These services are provided from a "Reserve" station located within the community and staffed by local volunteers. The staff from the reserve station is ALWAYS backed up with a staffed paid crew from either the City of Seal Beach Fire Department or the medics from the City of Huntington Beach.
- A majority of City of Seal Beach, the only other logical service provider for municipal level services, is physically separated from the area. While the Surfside community is a part of the City of Seal Beach (and is adjacent to Sunset Beach), the City of Seal Beach provides few services to Surfside.

## **LOCAL ACCOUNTABILITY AND GOVERNANCE**

No significant issues regarding local accountability and governance were noted. The City of Huntington Beach has seven (7) part-time council members, elected from the city at-large, which serve four year staggered terms. The city council selects the Mayor and Mayor Pro Tem annually to serve a one-year term. The city council also appoints citizen committees, boards, and commissions to serve as advisory boards to the city council.

The city council meets on the first and third Monday of each month. The meetings typically begin with a study session or closed session at 4:00 p.m followed by the regular council meeting at 6:00 p.m. All council meetings are televised live (and rerun the following Tuesday) through the city's local cable television outlet, Time Warner. To increase local accountability, the City maintains a website that contains general information on City departments, activities, and events, live web casts and video archives of City Council meetings. City departments include the Public Information Office (PIO), which serves as a vital communication link between city representatives



**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION**  
Municipal Service & Sphere of Influence Review Report for the  
City of Huntington Beach (MSR 06-01 & SOI 06-02)  
March 8, 2006

and the Huntington Beach community. The PIO keeps residents informed of city services, programs, recreational activities and opportunities. Table 6, below, lists the current city council members and their terms of office.

*Table 6 - City of Huntington Beach Council*

City of Huntington Beach Council Members	Title	Term Expires	Stipend
Dave Sullivan	Mayor	December 2006	\$175/month
Gil Coerper	Mayor Pro Tem	December 2006	\$175/month
Jill Hardy	Council Member	December 2006	\$175/month
Keith Bohr	Council Member	December 2008	\$175/month
Debbie Cook	Council Member	December 2008	\$175/month
Cathy Green	Council Member	December 2006	\$175/month
Don Hansen	Council Member	December 2008	\$175/month



## SERVICE REVIEW DETERMINATIONS

### 1) Infrastructure Needs and Deficiencies

The City's General Plan addresses the issues of growth, development and the demand for services to ensure that the city's service infrastructures are sufficient in providing quality level of services to its residents. Additionally, the City adopts an annual budget and a 5-year capital improvement program (CIP) to ensure that service levels are maintained or improved and that the CIP is adequately funded. Like other municipalities of similar age, there are deferred maintenance issues with a backlog of infrastructure needs not met with adequate funding.

### 2) Growth and Population Projections

The City is projected to experience an increase of approximately 19,000 residents by the year 2020.

### 3) Financing Constraints and Opportunities

The City uses an annual budget process that allows for mid-year adjustments when necessary. The impact of the local revenues shift to the State from the City of Huntington Beach, like all cities in Orange County and California, will result in reductions in city revenues. As well, the city's revenue has been impacted by the recent court ruling to disallow the charging of a franchise fee (in-lieu) from one of the enterprise funds. Despite these challenges, the City's proposed FY 2005-2006 represents a commitment from City Council and City staff to decrease expenditures without a visible loss in service to the public.

### 4) Cost Avoidance Opportunities

The City of Huntington Beach is a full-service city. The City currently provides municipal services that include building and planning, redevelopment, fire, police, library, parks and recreation, and public works (including water, sewer, and storm drainage). The City currently contracts with the County of Orange for animal control services and a private contractor for solid waste collection and recycling. No significant issues were identified.

### 5) Opportunities for Shared Facilities



The City participates in the sharing of facilities and services by providing staffing assistance for emergency services to adjacent and other agencies through mutual agreement. As one of its budget goals, the City has committed to maximizing the available cost sharing opportunities with other levels of government (Federal and State). No significant issues were noted.

6) **Opportunities for Rate Restructuring**

No issues regarding rate restructuring currently apply.

7) **Government Structure Options**

The City of Huntington Beach's Sphere of Influence includes approximately 28 square miles of city jurisdictional boundaries and around 1,600 acres of unincorporated territory. Originally adopted in 1973, the City's sphere has for the most part remained unchanged. With a pending annexation of Bolsa Chica, it is expected that the majority of the unincorporated area will become a part of the city limits.

The City has not expressed interest in annexing the 41-acre unincorporated area located in the northeastern section of the city; this area should remain in the City of Huntington Beach's sphere until completion of the MSR and sphere for the adjacent City of Westminster.

Sunset Beach is bordered by the City of Huntington Beach on the north, south, and east. The City directly and indirectly provides services to the community. The only other city that could potentially provide services to Sunset Beach is the City of Seal Beach that borders the northern tip of Sunset Beach at that gated entrance to Seal Beach's Surfside residential community. Surfside, however, is physically separated from the main portion of the City of Seal Beach by the Los Alamitos Bay, and is difficult at times for even the City of Seal Beach to serve. In discussions with the City of Seal Beach staff, they have expressed no interest in the future annexation of Sunset Beach.

The unincorporated community of Sunset Beach will likely face significant land use changes and fiscal challenges in the next 15 to 20 years under its existing governance structure. Staff recommends that the City's sphere of influence be amended to include Sunset Beach to encourage the most efficient provision of municipal level services if requested by the community.





8) **Evaluation of Management Efficiencies**

No significant issues were noted.

9) **Local Accountability and Governance**

The City provides a strong outreach effort to the community through city council meetings (also televised live through local cable), website, and the Public Information Office (PIO), which serves as a vital communication link between city representatives and the Huntington Beach community. The PIO keeps residents informed of city services, programs, recreational activities and opportunities.



## CITY OF HUNTINGTON BEACH SPHERE OF INFLUENCE REVIEW & UPDATE

Government Code Section 56425 identifies the following factors that should be considered by LAFCO when determining an agency's sphere of influence:

- The present and planned land uses in the area, including agricultural and open-space lands.
- The present and probable need for public facilities and services in the area.
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The City of Huntington contains approximately 17,730 acres with an estimated population of approximately 200,000. Of the 19,359 acres, 41 percent are developed with residences with the remaining use involving industrial, commercial, open space, mixed and other uses.

### Unincorporated Areas Located Within & Adjacent to Huntington Beach's Sphere

#### BOLSA CHICA

The City's current sphere of influence exceeds the City's current limits by approximately 1,629 acres which includes the Bolsa Chica Ecological Reserve (approximately 1,588 acres) (See Exhibit 2). Parts of the Bolsa Chica area have long been used for oil production; the majority of the area has been recently acquired by the State Lands Commission and designated for permanent open space and wetlands restoration.

Orange County LAFCO began considering annexations within the Bolsa Chica area to the City of Huntington Beach over 40 years ago. To date, five annexations totaling approximately 674 acres within Bolsa Chica have occurred. More recently, LAFCO has received an annexation application for approximately 111 acres (Hearthside Homes) and has engaged in preliminary discussions with the City regarding annexation of the





remaining Bolsa Chica reserve. City staff has indicated support of the pending annexation application and is exploring the potential benefits of annexing the remaining area. The Bolsa Chica reserve is surrounded by the City and the Pacific Ocean; as such, the City of Huntington Beach would be the most logical provider of municipal services to the area.

Hearthside Homes, a landowner within Bolsa Chica, has applied for the annexation of approximately 111 acres which has approvals for the construction of 349 single family residences. Because of the pending applications for this area, consideration by the Commission of the portion of the city's sphere of influence that includes the Bolsa Chica area has been postponed. Recommendations regarding the SOI for this area will be presented by staff concurrently with the pending annexation application filed by Hearthside Homes. Should the City decide to propose annexation of the entire Bolsa Chica area that application will also be presented for Commission consideration concurrently.

#### *BEACH/McFADDEN SMALL ISLAND*

Recognizing that cities are the logical service providers for municipal-level services, and that unincorporated islands can be more effectively and efficiently served by surrounding cities, Orange County LAFCO continues to be proactive and committed to the annexation of small, unincorporated islands (150 acres or less in size). In 2003, LAFCO staff met with City staff to discuss the potential annexation of a 41-acre "Beach/McFadden" unincorporated area located within the City's sphere of influence bordering the northeastern city limits (See Exhibit 2). Because of the close proximity of the area to the western boundary of the City of Westminster, LAFCO staff also engaged in discussions with Westminster staff regarding interest in annexing the area.

At that time, a fiscal analysis assessing the benefits of annexation to the city was completed projecting a surplus to the City's General Fund of approximately \$250,000 upon annexation.<sup>8</sup> In 2004, the State instituted a number of changes in how local revenues (sales and use taxes, Vehicle License Fees (VLF), property taxes, and Educational Revenue Augmentation Funds (ERAF)) are distributed. Impacts on cities were significant. Because of these changes, the projected revenue for annexing this unincorporated area to the city would need to be reassessed.

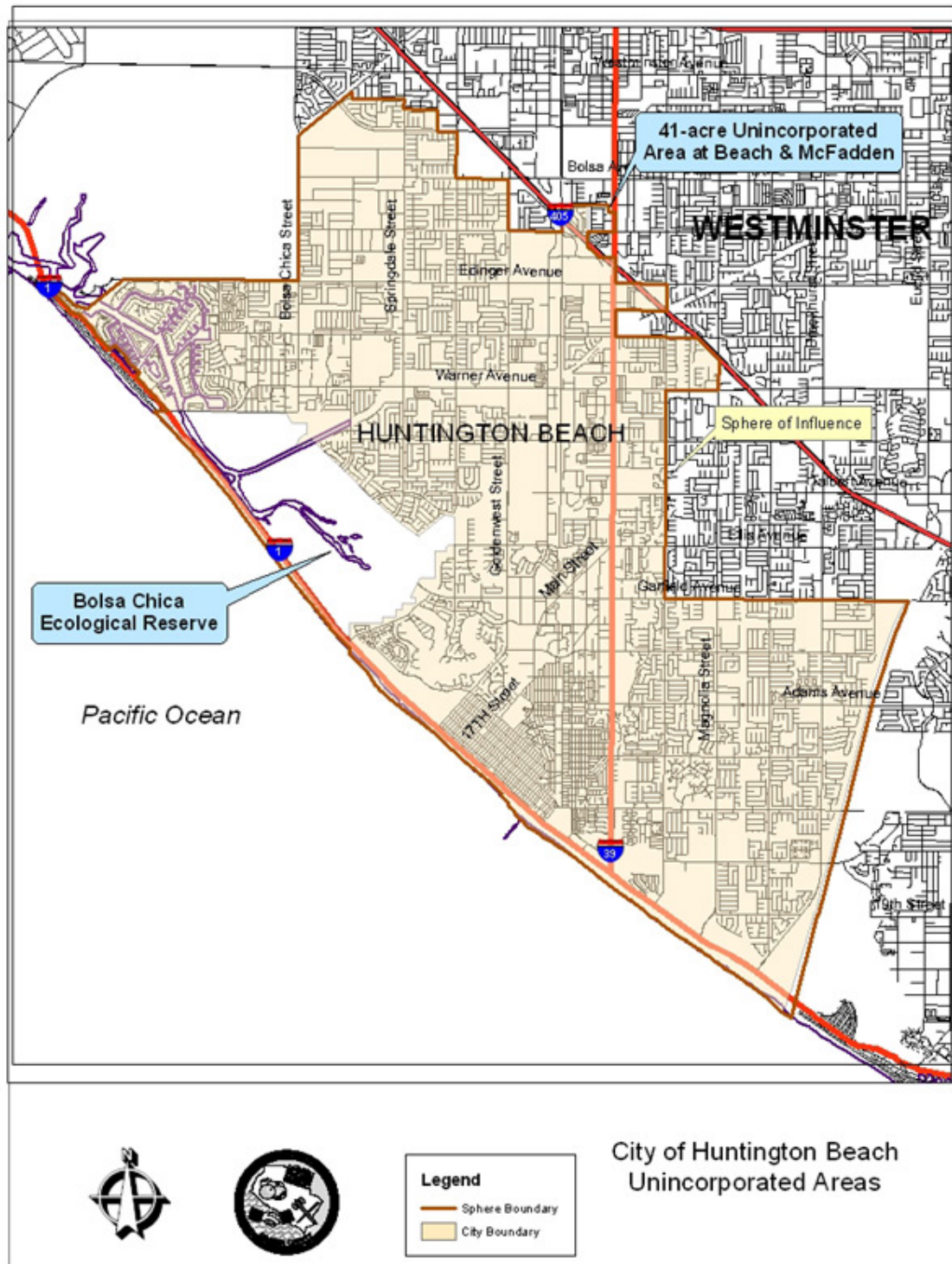
Neither the City of Huntington Beach nor the City of Westminster has expressed an interest in annexing this area.

---

<sup>8</sup> City of Huntington Beach Draft Annexation Fiscal Feasibility Report, March 2003, prepared by Rosenow Spevacek Group, Inc.



## Exhibit 2 - City of Huntington Beach Unincorporated Areas





### *SUNSET BEACH*

The Sunset Beach community is about a mile and a half long, beginning at Anderson Street to the north and ending at Warner Avenue to the south (see Exhibit 3). The community includes businesses and homes on both sides of Pacific Coast Highway (PCH). A linear park with restrooms and tot lots is located within Sunset Beach on the inland side of PCH. The community is surrounded to the south and east by the City of Huntington Beach and the west by the Pacific Ocean. Bordering the community at its northerly tip is the community of Surfside which is part of the City of Seal Beach.

Currently, the majority of the municipal services to the Sunset Beach community is provided by the County of Orange. Water service is currently provided by the City of Huntington Beach and sewer service and solid waste collection are provided by the Sunset Beach Sanitary District. At present, the community is not within any city's sphere of influence.

Sunset Beach has a long and rich history. Beach cottages and businesses began to be developed in the area around the turn of the century. The community has developed over the decades into a tight-knit beach community with a unique mix of land uses and a small town charm. Residents in Sunset Beach still collect their mail from their "town" post office. The local community association organizes community events throughout the year. The Sunset Beach Community Association, an informal group of local residents, represents the community on key issues and has developed an effective working relationship with County elected representatives. The residents feel that their community's eclectic mix of shops and homes contrasts with the land uses in Huntington Beach.

The annexation of Sunset Beach to Huntington Beach is not a new topic of discussion. Because the Sunset Beach community is bound by the City of Huntington Beach to the northeast and south, discussions of annexation of this area date back as early as the 1960s. During that time, LAFCO approved the annexation of several areas (Huntington Harbor and areas located east of Pacific Coast Highway) in and around the Sunset Beach area to Huntington Beach and discussions began regarding the potential annexation of Sunset Beach to Huntington Beach.

In 1969, the City of Huntington Beach initiated the annexation of Sunset Beach which was subsequently approved by LAFCO. The Commission's approval was based on the information that City of Huntington Beach was the logical municipal service provider to the Sunset Beach area and was fully capable of providing those services. The annexation was later terminated by protest of the property owners. Since then, there



have been no further attempts to annex the Sunset Beach area. During the MSR and in subsequent discussions, residents maintain their opposition to annexation of the community.

LAFCO is charged to look toward the future and spheres of influence are the tools given LAFCO by the State legislature to help guide how special districts, cities, and unincorporated areas may grow and be governed in the future. The community of Sunset Beach will likely face significant challenges in the next 15 to 20 years. The County of Orange, over the past ten years, has shifted its focus from being a municipal service provider to an agency that concentrates on regional service provision - the courts, social services, regional parks, health and welfare.

The unique mix of land uses that comprise Sunset Beach, while providing a charming and unique village atmosphere, fall short of generating enough revenue to cover costs. Although these estimates have been disputed by Sunset Beach residents, it has been estimated that the County currently spends approximately \$1,558,471 annually to provide municipal services to Sunset Beach. Revenue returned to the County from Sunset Beach, primarily in property tax and sales tax, is estimated to be approximately \$569,559. Although at the current time, budget "reform" at the State level has made annexations of developed territory fiscally infeasible for cities, several bills have been introduced which may correct that imbalance..

Sunset Beach is one of two unincorporated areas in Orange County (excluding the Rancho Mission Viejo land holdings in South County) that are not within a designated city sphere of influence. Placing Sunset Beach within the City of Huntington Beach's sphere of influence encourages the community to work more closely with the City during the next 15-20 years. Given the fiscal and services issues of the County, the provision of future municipal level services, the proximity to the City and the social and economic communities of interest, staff recommends that the City of Huntington Beach's sphere of influence be amended to include the community of Sunset Beach.





**Exhibit 3 – Unincorporated Community of Sunset Beach**





## **RECOMMENDATIONS**

Staff recommends amending the City of Huntington Beach sphere to include the unincorporated community of Sunset Beach. Staff also recommends that the portion of the City of Huntington Beach sphere of influence that includes the Bolsa Chica area be placed in a special study area until the pending annexation applications are ready to be heard by the Commission. It is also recommended that staff consider placing the Beach/McFadden island in the sphere of the City of Westminster during the upcoming MSR.





## STATEMENT OF DETERMINATIONS

### **The present and planned land uses in the area, including agricultural and open-space lands.**

Development within the City's existing boundaries is largely built-out. The City's 19,359-acre sphere of influence, is located in Northern Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. The Huntington Beach sphere of influence includes two unincorporated areas – the Bolsa Chica Ecological Reserve and a 41-acre area located in the northeastern section of the city that is fully developed. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

Staff supports amending the City of Huntington Beach sphere of influence to include the unincorporated Sunset Beach community. This area includes approximately 84-acres of a fully developed residential area that is surrounded by the city to the north, south and east. Currently the area receives municipal services from the County Orange and the Sunset Beach Sanitary District. Adjacent to the community, Huntington Beach is the most logical service provider for the area.

### **The present and probable need for public facilities and services.**

The present and future need for services is addressed through the City's General Plan, budget, and seven-year capital improvement program to ensure that city services match projected growth. Staff supports amending the city's sphere to include the Sunset Beach community. As the city's services and facilities are adjacent to the area, Huntington Beach is the most logical service provider to the area. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.



*The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The City and other service providers have adequate capacity and facilities to serve current and future land uses. Staff supports amending the city's sphere to include the Sunset Beach community, which is surrounded by Huntington Beach to the north, south, and east. As the city's services and facilities are adjacent to the area, it is believed that Huntington Beach is capable of serving the Sunset Beach community and is the most logical service provider. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

**The existence of any social or economic communities of interest in the area (if the commission determines that they are relevant to the agency).**

Because of the close proximity of the unincorporated community of Sunset Beach to the City of Huntington Beach, there may be common social and economic communities of interest involving residents from the community and the City. Staff recommends that the City of Huntington Beach's sphere of influence be amended to include the community of Sunset Beach to encourage residents to work more closely with the City over the next 15 to 20 years.

ENVIRONMENTAL CHECKLIST FORM

- 1) Project Title: City of Huntington Beach Municipal Service Review
2. Lead Agency Name and Address: Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701
3. Contact Person and Phone Number: Carolyn Emery, Project Manager, (714) 834-2556
4. Project Location – The City of Huntington Beach is approximately 27.7 square miles and is located in northwest Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean.
5. Project Sponsor's Name and Address: Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701
6. General Plan Designation: Residential, Commercial, Industrial, Mixed Use, and Open Space
7. Zoning: Residential, Commercial, Industrial, Mixed Use, and Open Space
8. Description of Project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheet(s) if necessary.)

Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the Municipal Service Review for the City of Huntington Beach. In accordance with Government Code Sections 56425 and 56430, LAFCO is required to conduct regional studies on future growth and make written determinations about municipal services and how local agencies are planning for future growth within our municipal services and infrastructure systems. The negative declaration confirms the findings of the associated initial study that the proposed project (the Municipal Services Review for the City of Huntington Beach) will not have a significant effect on the environment.

9. Surrounding Land Uses and Setting:  
The City of Huntington Beach is virtually surrounded by incorporated cities in Orange County and the Pacific Ocean. Surrounding cities include Costa Mesa, Fountain Valley, Newport Beach, Seal Beach, and Westminster. Adjacent to the City of Huntington Beach are two unincorporated communities -- Sunset Beach and a 41-acre area located in the northeast portion of the city. The City of Huntington Beach as well as the surrounding cities and adjacent unincorporated areas are largely built-out.

10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):  
None

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |                                 |                                      |                            |
|---------------------------------|--------------------------------------|----------------------------|
| ~ Aesthetics                    | ~ Agriculture Resources              | ~ Air Quality              |
| ~ Biological Resources          | ~ Cultural Resources                 | ~ Geology / Soils          |
| ~ Hazards & Hazardous Materials | ~ Hydrology / Water Quality          | ~ Land Use / Planning      |
| ~ Mineral Resources             | ~ Noise                              | ~ Population / Housing     |
| ~ Public Services               | ~ Recreation                         | ~ Transportation / Traffic |
| ~ Utilities / Service Systems   | ~ Mandatory Findings of Significance |                            |

**DETERMINATION** (To be completed by the Lead Agency):

On the basis of this initial evaluation:

- ✓ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ~ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ~ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ~ I find that the proposed project MAY have a “potentially significant or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ~ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature

Joyce Crosthwaite, Executive Officer

Printed Name

Date

Orange County LAFCO

For

## EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is evidence that an effect is significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
- 4) “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVUU, “Earlier Analyses,” may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063©(3)(D). In this case, a brief discussion should identify the following:
  - a) Earlier Analyses Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whatever format is selected.



- 9) The explanation of each issue should identify:
- a) the significance criteria or threshold, if any, used to evaluate each question; and
  - b) the mitigation measure identified, if any, to reduce the impact to less than significance.

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

**I. AESTHETICS.** Would the project:

✓

- a) Have a substantial adverse effect on a scenic vista?

✓

- b) Substantially damage scenic resources, including, but not limited to, tress, rock outcroppings, and historic buildings within a state scenic highway?

✓

- c) Substantially degrade the existing visual character or quality of the site and its surroundings?

✓

- d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

✓

**Discussion: The Municipal Service Review is a feasibility and planning study that will not result in any significant direct or cumulative impacts on the aesthetics of the project area. This includes not adversely affecting scenic vistas, damaging scenic resources, degrading visual character, or creating new sources of light.**

- II. AGRICULTURE RESOURCES.** In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? ✓
- b) Conflict with existing zoning for agricultural use, or a Williamson Act contract? ✓
- c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use? ✓

**Discussion: The Municipal Service Review is a feasibility and planning study and will not cause any specific new developments to be undertaken and will not result in any significant direct or cumulative impacts on the agricultural resources of the project area.**

III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

- a) Conflict with or obstruct implementation of the applicable air quality plan? ✓
- b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation? ✓
- c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? ✓
- d) Expose sensitive receptors to substantial pollutant concentrations? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- e) Create objectionable odors affecting a substantial number of people? ✓

**Discussion: The Municipal Service Review is a feasibility and planning study and will not result in any significant direct or cumulative impacts on the air quality within the project area. This includes not violating air quality standards or creating objectionable odors.**

IV. BIOLOGICAL RESOURCES. Would the project:

- a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? ✓
- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? ✓
- c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? ✓
- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? ✓
- e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? ✓

**Discussion: The Municipal Service Review is a feasibility and planning study and will not cause any specific new developments to be built. The project will not result in any significant direct or cumulative impacts on the biological resources of the project area and this includes adversely affecting endangered, threatened, or rare species and their habitat.**

V. CULTURAL RESOURCES. Would the project:

- a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5? ✓
- b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5? ✓
- c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? ✓
- d) Disturb any human remains, including those interred outside of formal cemeteries? ✓

**Discussion: The Municipal Service Review is a planning study and will not result in any significant direct or cumulative impacts on the cultural resources of the project area.**

VI. GEOLOGY AND SOILS -- Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving:

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. ✓
- ii) Strong seismic ground shaking? ✓
- iii) Seismic-related ground failure, including liquefaction? ✓
- iv) Landslides? ✓
- b) Result in substantial soil erosion or the loss of topsoil? ✓
- c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? ✓
- d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? ✓
- e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water? ✓

**Discussion: The Municipal Service Review is a planning study and will not result in any significant direct or cumulative impacts on geology or soils of the project area including contributing to soil erosion or exposing individuals or structures to loss, such as injury or death, resulting from earthquakes or landslides.**

**VII. HAZARDS AND HAZARDOUS MATERIALS.**  
Would the project:

- a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? ✓
- c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? ✓
- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? ✓
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? ✓
- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? ✓
- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? ✓
- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? ✓

**Discussion: The Municipal Service Review will not result in any significant direct or cumulative impacts with respect to creating hazards or hazardous materials within the project area.**

**VIII. HYDROLOGY AND WATER QUALITY. Would the project:**

- a) Violate any water quality standards or waste discharge requirements? ✓



**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- |   |   |
|---|---|
| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | ✓ |
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?  | ✓ |
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?   | ✓ |
| e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?  | ✓ |
| f) Otherwise substantially degrade water quality?   | ✓ |
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?  | ✓ |
| h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?   | ✓ |
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?  | ✓ |

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- j) Inundation by seiche, tsunami, or mudflow? ✓

**Discussion: The Municipal Service Review will not result in a depletion of groundwater supplies, alteration of existing drainage patterns, creation of runoff water, exposure of people to a significant risk of flooding nor will it result in a net deficit in aquifer volume.**

**IX. LAND USE AND PLANNING. Would the project:**

- a) Physically divide an established community? ✓
- b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

**Discussion: The Municipal Service Review is a feasibility and planning study that will not result in any significant direct or cumulative impacts with respect to land use planning within the project area.**

- c) Conflict with any applicable habitat conservation plan or natural community conservation plan? ✓

**Discussion: The Municipal Service Review includes an assessment of adding the unincorporated community of Sunset Beach into the City of Huntington Beach's sphere of influence. The community is adjacent to the city and bound by Huntington Beach to the northeast and to the south. The MSR findings will not result in a change of land use planning control or service delivery at this time – the County of Orange and Sunset Beach Sanitary District will continue to be responsible for municipal service provision to Sunset Beach.**

**X. MINERAL RESOURCES. Would the project:**

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

✓

**Discussion: The Municipal Service Review will not result in any significant direct or cumulative impacts on the mineral resources of the project area. This includes not incurring the loss of known valuable mineral resources.**

XI. NOISE. Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?
- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?
- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

✓

✓

✓

✓

✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?.

✓

**Discussion: The planning study will not result in any significant direct or cumulative impacts on noise levels within the project area. This include not exposing individuals to excess ground borne vibrations or substantially increasing ambient noises, whether temporary, periodical, or permanent.**

**XII. POPULATION AND HOUSING. Would the project:**

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?
- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

✓

✓

✓

**Discussion: The City of Huntington Beach and the unincorporated community of Sunset Beach are largely built-out. Only limited growth is possible through redevelopment of existing uses. The Municipal Service Review study will not result in direct and substantial population growth.**

**XIII. PUBLIC SERVICES. Would the project:**

- a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

Fire protection?

Police protection?

Schools?

Parks?

Other public facilities?

**Discussion: Although the Municipal Services Review study includes discussion of the addition of service territory to the City of Huntington Beach, the study itself will have no direct impact on the ability of City of Huntington Beach to serve existing or potential customers.**

**XIV. RECREATION. Would the project:**

- a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? ✓
- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment? ✓

**Discussion: The Municipal Service Review study will not result in any significant direct or cumulative impacts on recreational services within the project area including increasing the use of existing neighborhood and regional parks.**

**XV. TRANSPORTATION / TRAFFIC. Would the project:**

- a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- |  |   |
|--|---|
| b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? | ✓ |
| c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?      | ✓ |
| d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?               | ✓ |
| e) Result in inadequate emergency access?  | ✓ |
| f) Result in inadequate parking capacity?  | ✓ |
| g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?                                     | ✓ |

**Discussion: The Municipal Service Review is a feasibility and planning study and will not result in any significant direct or cumulative impacts relating to transportation or circulation within the project area. This includes not causing an increase in street or air traffic patterns, creating inadequate emergency access or parking capacity, or conflicting with adopted transportation policies.**

**XVI. UTILITIES AND SERVICE SYSTEMS. Would the project:**

- a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?
- b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?



**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?
- e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?
- f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?
- g) Comply with federal, state, and local statutes and regulations related to solid waste?

**Discussion: The Municipal Service Review is a feasibility and planning study and will have no direct impact on water, sewer or wastewater services to existing customers.**

## XVII. MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of an endangered, rare or threatened species; or eliminate important examples of the major periods of California history or prehistory?

✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- b) Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals? ✓
- c) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are significant when viewed in connection with the effects of past projects, effects of other current projects, and the effects of probably future projects.) ✓
- d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? ✓

**Discussion: The Municipal Service Review would not result in any significant direct or cumulative impacts relating to mandatory findings of significance within the project area. This includes not degrading the quality of the environment or causing substantial adverse effects on individuals, whether directly or indirectly.**

ENVIRONMENTAL CHECKLIST FORM

- 1) Project Title: City of Huntington Beach Partial Sphere of Influence Review and Update
2. Lead Agency Name and Address: Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701
3. Contact Person and Phone Number: Carolyn Emery, Project Manager, (714) 834-2556
4. Project Location – The project includes a partial Sphere of Influence Review and Update for the City of Huntington Beach. The project area includes the City of Huntington Beach city limits, excluding the unincorporated Bolsa Chica Ecological Reserve (approximately 1,500 acres located east of Pacific Coast Highway, south of Warner Avenue, and west of Harriet Weider Regional Park. The City of Huntington Beach is approximately 27.7 square miles and is located in northwest Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean.
5. Project Sponsor's Name and Address: Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701
6. General Plan Designation: Residential, Commercial, Industrial, Mixed Use, and Open Space
7. Zoning: Residential, Commercial, Industrial, Mixed Use, and Open Space
8. Description of Project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheet(s) if necessary.)

Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the proposed partial review and update of the City of Huntington Beach' sphere of influence. The existing sphere of influence boundary for the City of Huntington Beach is coterminous with the City's jurisdictional boundary and also includes the unincorporated Bolsa Chica Ecological Reserve and a 41-acre unincorporated area located in the northeastern section of the city at Beach and McFadden Avenues. The proposed partial sphere of influence review for the City of Huntington Beach includes the City's jurisdictional boundary, excludes the unincorporated Bolsa Chica Ecological Reserve, and expands the City's sphere boundary by 103 acres to include the unincorporated Sunset Beach community which bounds the City to the northeast and south. The negative declaration confirms the findings of the associated initial study that the proposed project (the City of Huntington Beach partial sphere of influence review and update) will not have a significant effect on the environment.

In accordance with Government Code Section 56425 and the LAFCO Sphere of Influence Policy, LAFCO is required to review an agency's sphere of influence every five years in conjunction with conducting municipal service reviews. LAFCO is required to establish a sphere of influence to identify probable future boundaries and service areas of all cities and special districts.

9. Surrounding Land Uses and Setting:

The City of Huntington Beach is virtually surrounded by incorporated cities in Orange County and the Pacific Ocean. Surrounding cities include Costa Mesa, Fountain Valley, Newport Beach, Seal Beach, and Westminster. Adjacent to the City of Huntington Beach are three unincorporated areas – the Bolsa Chica area, Sunset Beach community, and a 41-acre area located in the northeast portion of the city. The City of Huntington Beach, these unincorporated areas, and adjacent cities are largely built-out.

10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

None

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |                                 |                                      |                            |
|---------------------------------|--------------------------------------|----------------------------|
| ~ Aesthetics                    | ~ Agriculture Resources              | ~ Air Quality              |
| ~ Biological Resources          | ~ Cultural Resources                 | ~ Geology / Soils          |
| ~ Hazards & Hazardous Materials | ~ Hydrology / Water Quality          | ~ Land Use / Planning      |
| ~ Mineral Resources             | ~ Noise                              | ~ Population / Housing     |
| ~ Public Services               | ~ Recreation                         | ~ Transportation / Traffic |
| ~ Utilities / Service Systems   | ~ Mandatory Findings of Significance |                            |

**DETERMINATION** (To be completed by the Lead Agency):

On the basis of this initial evaluation:

- ✓ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ~ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ~ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

- ~ I find that the proposed project MAY have a “potentially significant or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ~ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

\_\_\_\_\_  
Signature  
Joyce Crosthwaite, Executive Officer  
Printed Name

\_\_\_\_\_  
Date  
Orange County LAFCO  
For

## EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is evidence that an effect is significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
- 4) “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVUU, “Earlier Analyses,” may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063©(3)(D). In this case, a brief discussion should identify the following:
  - a) Earlier Analyses Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whatever format is selected.

- 9) The explanation of each issue should identify:
- a) the significance criteria or threshold, if any, used to evaluate each question; and
  - b) the mitigation measure identified, if any, to reduce the impact to less than significance.

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

## I. AESTHETICS. Would the project:

- a) Have a substantial adverse effect on a scenic vista?
- b) Substantially damage scenic resources, including, but not limited to, tress, rock outcroppings, and historic buildings within a state scenic highway?
- c) Substantially degrade the existing visual character or quality of the site and its surroundings?

✓

✓

✓

✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area? ✓

**Discussion:** The project does not include any land use approvals or permit any development that has the potential to affect the environment. The project will not result in any significant direct or cumulative impacts on the aesthetics of the project area. This includes not adversely affecting scenic vistas, damaging scenic resources, degrading visual character, or creating new sources of light.

**LAFCO does not have any ability to regulate land use. The affected local agencies that do have land use regulatory authority are the County of Orange and the City of Huntington Beach. The proposed updated sphere of influence will not result in any change to land use or to the City or County General Plans or zoning. The certified environmental documents relating to the City of Huntington Beach's General Plan contains relevant information and data about land use, environmental impacts and growth inducement.**

**Future development that may require discretionary approvals within the proposed updated Sphere of Influence will be the subject of separate environmental review and documentation by the appropriate jurisdiction with land use regulatory control serving as lead agency. The precise nature and extent of future development, or of new service connections, utility extensions and/or facility expansions, within the proposed updated Sphere of Influence cannot be determined at this time and are not the subject of this environmental review.**

- II. AGRICULTURE RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:



**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- |  |   |
|--|---|
| a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? | ✓ |
| b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?   | ✓ |
| c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?  | ✓ |

**Discussion: The project will not cause any specific new developments to be undertaken and will not result in any significant direct or cumulative impacts on the agricultural resources of the project area.**

III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

- |  |   |
|--|---|
| a) Conflict with or obstruct implementation of the applicable air quality plan?  | ✓ |
| b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?   | ✓ |
| c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | ✓ |
| d) Expose sensitive receptors to substantial pollutant concentrations?   | ✓ |

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- e) Create objectionable odors affecting a substantial number of people? ✓

**Discussion: The project will not result in any significant direct or cumulative impacts on the air quality within the project area. This includes not violating air quality standards or creating objectionable odors.**

## IV. BIOLOGICAL RESOURCES. Would the project:

- a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? ✓
- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? ✓
- c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? ✓
- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? ✓
- e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? ✓

**Discussion: The project will not cause any specific new developments to be built. The project will not result in any significant direct or cumulative impacts on the biological resources of the project area and this includes adversely affecting endangered, threatened, or rare species and their habitat.**

V. CULTURAL RESOURCES. Would the project:

- a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5? ✓
- b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5? ✓
- c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? ✓
- d) Disturb any human remains, including those interred outside of formal cemeteries? ✓

**Discussion: The project will not result in any significant direct or cumulative impacts on the cultural resources of the project area.**

VI. GEOLOGY AND SOILS -- Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving:
- i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- ii) Strong seismic ground shaking? ✓
- iii) Seismic-related ground failure, including liquefaction? ✓
- iv) Landslides? ✓
- b) Result in substantial soil erosion or the loss of topsoil? ✓
- c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? ✓
- d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? ✓
- e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water? ✓

**Discussion: The partial Sphere of Influence does not permit any particular land uses or development. The partial Sphere of Influence Review and Update will not result in any significant direct or cumulative impacts on geology or soils of the project area including contributing to soil erosion or exposing individuals or structures to loss, such as injury or death, resulting from earthquakes or landslides.**

## VII. HAZARDS AND HAZARDOUS MATERIALS.

Would the project:

- a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? ✓
- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? ✓
- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? ✓
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? ✓
- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? ✓
- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? ✓
- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? ✓

**Discussion: The partial review and update to the City's sphere of influence will not result in any significant direct or cumulative impacts with respect to creating hazards or hazardous materials within the project area.**

**VIII. HYDROLOGY AND WATER QUALITY.** Would the project:

- a) Violate any water quality standards or waste discharge requirements? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- |   |   |
|---|---|
| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | ✓ |
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?  | ✓ |
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?   | ✓ |
| e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?  | ✓ |
| f) Otherwise substantially degrade water quality?   | ✓ |
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?  | ✓ |
| h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?   | ✓ |
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?  | ✓ |

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- j) Inundation by seiche, tsunami, or mudflow? ✓

**Discussion:** Adoption of a partially updated sphere of influence for the City of Huntington Beach will not result in a depletion of groundwater supplies, alteration of existing drainage patterns, creation of runoff water, exposure of people to a significant risk of flooding nor will it result in a net deficit in aquifer volume.

**IX. LAND USE AND PLANNING.** Would the project:

- a) Physically divide an established community? ✓
- b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?
- c) Conflict with any applicable habitat conservation plan or natural community conservation plan? ✓

**Discussion:** The proposed partial sphere update includes the alternative of adding the unincorporated community of Sunset Beach into the City of Huntington Beach's sphere of influence. The community is adjacent to the city and bound by Huntington Beach to the northeast and to the south. A sphere change will not result in a change of land use planning control or service delivery at this time – the County of Orange and Sunset Beach Sanitary District will continue to be responsible for municipal service provision to Sunset Beach. Spheres of influence are long-term planning tools used by LAFCO to identify logical municipal service providers. Including Sunset Beach in the City of Huntington Beach's sphere of influence indicates that the City could logically extend municipal services to the unincorporated Sunset Beach community in the next 10 to 20 years. The proposed partial sphere of influence update will not result in any significant direct or cumulative impacts with respect to land use planning within the project area.



**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

**X.MINERAL RESOURCES.** Would the project:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? ✓
- b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? ✓

**Discussion: The partial Sphere of Influence Review and Update will not result in any significant direct or cumulative impacts on the mineral resources of the project area. This includes not incurring the loss of known valuable mineral resources.**

**XI. NOISE.** Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? ✓
- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? ✓
- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? ✓
- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? ✓
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? ✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?.

✓

**Discussion: The partial Sphere of Influence Review and Update will not result in any significant direct or cumulative impacts on noise levels within the project area. This include not exposing individuals to excess ground borne vibrations or substantially increasing ambient noises, whether temporary, periodical, or permanent.**

**XII. POPULATION AND HOUSING.** Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?
- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

✓

✓

✓

**Discussion: The City of Huntington Beach and the unincorporated community of Sunset Beach are largely built-out. Only limited growth is possible through redevelopment of existing uses. The partial Sphere of Influence Review and Update will not result in direct and substantial population growth.**

**XIII. PUBLIC SERVICES.** Would the project:

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire protection?

Police protection?

Schools?

Parks?

Other public facilities?

**Discussion: The project will have no direct impact on the ability of City of Huntington Beach to serve existing customers.**

**XIV. RECREATION.** Would the project:

- a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? ✓
- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment? ✓

**Discussion: The project will not result in any significant direct or cumulative impacts on recreational services within the project area including increasing the use of existing neighborhood and regional parks.**

**XV. TRANSPORTATION / TRAFFIC.** Would the project:

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? ✓
- b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? ✓
- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? ✓
- d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? ✓
- e) Result in inadequate emergency access? ✓
- f) Result in inadequate parking capacity? ✓
- g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)? ✓

**Discussion: The project will not result in any significant direct or cumulative impacts relating to transportation or circulation within the project area. This includes not causing an increase in street or air traffic patterns, creating inadequate emergency access or parking capacity, or conflicting with adopted transportation policies.**

**XVI. UTILITIES AND SERVICE SYSTEMS. Would the project:**

- a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?
- e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?
- f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?
- g) Comply with federal, state, and local statutes and regulations related to solid waste?

**Discussion: The project will have no direct impact on water, sewer or wastewater services to existing customers.**

## XVII. MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of an endangered, rare or threatened species; or eliminate important examples of the major periods of California history or prehistory?

✓

**Issues:**

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

- b) Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals? ✓
- c) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are significant when viewed in connection with the effects of past projects, effects of other current projects, and the effects of probably future projects.) ✓
- d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? ✓

**Discussion: The partial Sphere of Influence Review and Update does not propose or permit any development or land use that would have the potential to affect the environment. The partial Sphere of Influence Review and Update would not result in any significant direct or cumulative impacts relating to mandatory findings of significance within the project area. This includes not degrading the quality of the environment or causing substantial adverse effects on individuals, whether directly or indirectly.**

CERTIFICATE OF FEE EXEMPTION  
De Minimus Impact Finding

Project Title/Location (include county): City of Huntington Beach Municipal Service Review

Name and Address of Project Applicant:

Orange County Local Agency Formation Commission (LAFCO)  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

Project Description: Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the City of Huntington Beach Municipal Service Review. In accordance with Government Code Sections 56425 and 56430, LAFCO is required to conduct regional studies on future growth and make written determinations about municipal services and how local agencies are planning for future growth within our municipal services and infrastructure systems. The negative declaration confirms the findings of the associated initial study that the proposed project (the Municipal Services Review for the City of Huntington Beach) will not have a significant effect on the environment.

Findings of Exemption:

1. An Initial Study and Negative Declaration have been prepared by LAFCO to evaluate the project's effects on wildlife resources, if any.
2. The Lead Agency hereby finds that there is no evidence before LAFCO that the project will have any potential for adverse effect on the environment.
3. The project will not result in any changes to the following resources:
  - (A) Riparian land, rivers, streams, watercourses and wetlands;
  - (B) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;
  - (C) Rare and unique plant life and ecological communities dependant on plant life;
  - (D) Listed threatened and endangered plants and animals and the habitat in which they are believed to reside;
  - (E) All species listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code or regulations adopted thereunder;
  - (F) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside; and
  - (G) All air and water resources, the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

**CERTIFICATION:**

I hereby certify that LAFCO has made the above finding(s) of fact and based upon the Initial Study, the Negative Declaration and the hearing record, the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

Lead Agency Representative: Joyce Crosthwaite

Title: Executive Officer

Date: March 8, 2006



## STATEMENT OF DETERMINATIONS

### **The present and planned land uses in the area, including agricultural and open-space lands.**

Development within the City's existing boundaries is largely built-out. The City's 19,359-acre sphere of influence, is located in Northern Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. The Huntington Beach sphere of influence includes two unincorporated areas – the Bolsa Chica Ecological Reserve and a 41-acre area located in the northeastern section of the city that is fully developed. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

Staff supports amending the City of Huntington Beach sphere of influence to include the unincorporated Sunset Beach community. This area includes approximately 84-acres of a fully developed residential area that is surrounded by the city to the north, south and east. Currently the area receives municipal services from the County Orange and the Sunset Beach Sanitary District. Adjacent to the community, Huntington Beach is the most logical service provider for the area.

### **The present and probable need for public facilities and services.**

The present and future need for services is addressed through the City's General Plan, budget, and seven-year capital improvement program to ensure that city services match projected growth. Staff supports amending the city's sphere to include the Sunset Beach community. As the city's services and facilities are adjacent to the area, Huntington Beach is the most logical service provider to the area. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

*The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The City and other service providers have adequate capacity and facilities to serve current and future land uses. Staff supports amending the city's sphere to include the Sunset Beach community, which is surrounded by Huntington Beach to the north,

## EXHIBIT A

south, and east. As the city's services and facilities are adjacent to the area, it is believed that Huntington Beach is capable of serving the Sunset Beach community and is the most logical service provider. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

### **The existence of any social or economic communities of interest in the area (if the commission determines that they are relevant to the agency).**

Because of the close proximity of the unincorporated community of Sunset Beach to the City of Huntington Beach, there may be common social and economic communities of interest involving residents from the community and the City. Staff recommends that the City of Huntington Beach's sphere be influence be amended to include the community of Sunset Beach to encourage residents to work more closely with the City over the next 15 to 20 years.

CERTIFICATE OF FEE EXEMPTION  
De Minimus Impact Finding

Project Title/Location (include county): City of Huntington Beach Partial Sphere of Influence Review

Name and Address of Project Applicant:

Orange County Local Agency Formation Commission (LAFCO)  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

Project Description: Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the proposed partial review and update of the City of Huntington Beach' sphere of influence. The existing sphere of influence boundary for the City of Huntington Beach is coterminous with the City's jurisdictional boundary and also includes the unincorporated Bolsa Chica Ecological Reserve and a 41-acre unincorporated area located in the northeastern section of the city at Beach and McFadden Avenues. The proposed partial sphere of influence review for the City of Huntington Beach includes the City's jurisdictional boundary, excludes the unincorporated Bolsa Chica Ecological Reserve, and expands the City's sphere boundary by 103 acres to include the unincorporated Sunset Beach community which bounds the City to the northeast and south. The negative declaration confirms the findings of the associated initial study that the proposed project (the City of Huntington Beach partial sphere of influence review and update) will not have a significant effect on the environment.

Findings of Exemption:

1. An Initial Study and Negative Declaration have been prepared by LAFCO to evaluate the project's effects on wildlife resources, if any.
2. The Lead Agency hereby finds that there is no evidence before LAFCO that the project will have any potential for adverse effect on the environment.
3. The project will not result in any changes to the following resources:
  - (A) Riparian land, rivers, streams, watercourses and wetlands;
  - (B) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;
  - (C) Rare and unique plant life and ecological communities dependant on plant life;
  - (D) Listed threatened and endangered plants and animals and the habitat in which they are believed to reside;
  - (E) All species listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code or regulations adopted thereunder;
  - (F) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside; and
  - (G) All air and water resources, the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

**CERTIFICATION:**

I hereby certify that LAFCO has made the above finding(s) of fact and based upon the Initial Study, the Negative Declaration and the hearing record, the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

Lead Agency Representative: Joyce Crosthwaite

Title: Executive Officer

Date: March 8, 2006

CERTIFICATE OF FEE EXEMPTION  
De Minimus Impact Finding

Project Title/Location (include county): City of Huntington Beach Partial Sphere of Influence Review

Name and Address of Project Applicant:

Orange County Local Agency Formation Commission (LAFCO)  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

Project Description: Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the proposed partial review and update of the City of Huntington Beach' sphere of influence. The existing sphere of influence boundary for the City of Huntington Beach is coterminous with the City's jurisdictional boundary and also includes the unincorporated Bolsa Chica Ecological Reserve and a 41-acre unincorporated area located in the northeastern section of the city at Beach and McFadden Avenues. The proposed partial sphere of influence review for the City of Huntington Beach includes the City's jurisdictional boundary, excludes the unincorporated Bolsa Chica Ecological Reserve, and expands the City's sphere boundary by 103 acres to include the unincorporated Sunset Beach community which bounds the City to the northeast and south. The negative declaration confirms the findings of the associated initial study that the proposed project (the City of Huntington Beach partial sphere of influence review and update) will not have a significant effect on the environment.

Findings of Exemption:

1. An Initial Study and Negative Declaration have been prepared by LAFCO to evaluate the project's effects on wildlife resources, if any.
2. The Lead Agency hereby finds that there is no evidence before LAFCO that the project will have any potential for adverse effect on the environment.
3. The project will not result in any changes to the following resources:
  - (A) Riparian land, rivers, streams, watercourses and wetlands;
  - (B) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;
  - (C) Rare and unique plant life and ecological communities dependant on plant life;
  - (D) Listed threatened and endangered plants and animals and the habitat in which they are believed to reside;
  - (E) All species listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code or regulations adopted thereunder;
  - (F) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside; and
  - (G) All air and water resources, the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

**CERTIFICATION:**

I hereby certify that LAFCO has made the above finding(s) of fact and based upon the Initial Study, the Negative Declaration and the hearing record, the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

Lead Agency Representative: Joyce Crosthwaite

Title: Executive Officer

Date: March 8, 2006

**MSR 06-01**

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF ORANGE COUNTY, CALIFORNIA  
MAKING DETERMINATIONS AND APPROVING THE  
MUNICIPAL SERVICE REVIEW FOR THE  
CITY OF HUNTINGTON BEACH**

**March 8, 2006**

On motion of Commissioner \_\_\_\_\_, duly seconded and carried, the following resolution was adopted:

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission (“LAFCO”) adopt spheres of influence for all agencies in its jurisdiction and to update those spheres every five years; and

WHEREAS, the sphere of influence is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, proceedings for adoption, update and amendment of a sphere of influence are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 et seq. of the Government Code; and

WHEREAS, California Government Code Section 56430 requires that in order to prepare and to update spheres of influence the Commission shall conduct municipal service reviews prior to or in conjunction with action to update or adopt a sphere of influence; and

WHEREAS, the Orange County LAFCO staff has prepared a report for the municipal service review (MSR 06-01) and an accompanying sphere of influence update (SOI 06-02) for the City of Huntington Beach, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the report for the municipal service review for the City of Huntington Beach (MSR 06-01) contains statements of determination as required by California Government Code Section 56430 for the municipal services provided by the district; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set March 8, 2006 as the hearing date on this municipal service review proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including her recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposal consists of a municipal service review for the City of Huntington Beach; and

WHEREAS, this Commission called for and held a public hearing on the proposal on March 8, 2006, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56841; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), the municipal service review for the City of Huntington Beach was determined to be exempt from CEQA under State CEQA Guidelines §15262, Feasibility and Planning Studies; however, LAFCO, as the lead agency under CEQA for municipal reviews, prepared a Negative Declaration for the City of Huntington Beach municipal service review (MSR 06-01) in light of the annexation application that has been filed with LAFCO for an area located within the Bolsa Chica Ecological Reserve and potential inclusion of a coastal area (Sunset Beach) in the city's sphere of influence.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Environmental Actions:

- a) LAFCO, as the lead agency, has determined that the municipal service review for the City of Huntington Beach will not have a significant effect

on the environment as defined in CEQA. The Commission has therefore adopted a Negative Declaration for the sphere of influence review.

- b) The Executive Officer is instructed to file the Negative Declaration with the County Clerk in accordance with CEQA.
- c) The municipal service review will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.
- d) The Commission directs the Executive Officer to file a *de minimus* statement with California Wildlife, Fish and Game.

Section 2. Determinations

- a) The Commission accepts the report for the municipal service review for the City of Huntington Beach (MSR 06-01) as presented to the Commission on March 8, 2006.
- b) The Executive Officer's staff report and recommendation for approval of the municipal service review for the City of Huntington Beach, dated March 8, 2006, are hereby adopted.
- b) The Commission has adopted the accompanying Statement of Determinations for the City of Huntington Beach, shown as "Exhibit A."

Section 3. This review is assigned the following distinctive short-form designation: "Municipal Service Review for the City of Huntington Beach" (MSR 06-01).

Section 4. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

AYES: COMMISSIONERS \_\_\_\_\_

NOES: \_\_\_\_\_

STATE OF CALIFORNIA )

) SS.

COUNTY OF ORANGE )



I, ROBERT BOUER, Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 8<sup>th</sup> day of March, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand this 8<sup>th</sup> day of March, 2006.

ROBERT BOUER  
Chair of the Orange County  
Local Agency Formation Commission

By: \_\_\_\_\_  
Robert Bouer

**SOI 06-02**

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF ORANGE COUNTY, CALIFORNIA  
MAKING DETERMINATIONS AND APPROVING THE  
SPHERE OF INFLUENCE FOR THE CITY OF HUNTINGTON BEACH**

**March 8, 2006**

On motion of Commissioner \_\_\_\_\_, duly seconded and carried, the following resolution was adopted:

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission (“LAFCO”) adopt spheres of influence for all agencies in its jurisdiction and to update those spheres every five years; and

WHEREAS, the sphere of influence is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, proceedings for adoption, update and amendment of a sphere of influence are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 et seq. of the Government Code; and

WHEREAS, California Government Code Section 56430 requires that in order to prepare and to update spheres of influence the Commission shall conduct municipal service reviews prior to or in conjunction with action to update or adopt a sphere of influence; and

WHEREAS, the Orange County LAFCO staff has prepared a report for the municipal service review (MSR 06-01), as an accompanying report to the sphere of influence update for the City of Huntington Beach (SOI 06-02) and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the report for the sphere of influence update for the City of Huntington Beach (SOI 06-02) contains statements of determination as required by California Government Code Section 56430 for the municipal services provided by the city; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set March 8, 2006 as the hearing date on this sphere of influence study proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including her recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposal consists of the designation of a sphere of influence for the City of Huntington Beach; and

WHEREAS, this Commission called for and held a public hearing on the proposal on March 8, 2006, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56841; and

WHEREAS, LAFCO, as the lead agency under CEQA (California Environmental Quality Act) for sphere of influence reviews, completed an initial study and determined that adoption of the sphere of influence for the City of Huntington Beach would not have a significant effect on the environment as defined in CEQA.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Environmental Actions:

- a) LAFCO, as the lead agency, has determined that adoption of the sphere of influence for the City of Huntington Beach will not have a significant effect on the environment as defined in CEQA. The Commission has therefore adopted a Negative Declaration for the sphere of influence review.
- b) The Executive Officer is instructed to file the Negative Declaration with the County Clerk in accordance with CEQA.
- c) The sphere of influence review will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

- d) The Commission directs the Executive Officer to file a *de minimus* statement with California Wildlife, Fish and Game.

Section 2. Determinations

- a) The Commission accepts the report for the sphere of influence update for the City of Huntington Beach (SOI 06-02) as presented to the Commission on March 8, 2006.
- b) The Executive Officer's staff report and recommendation for approval of the sphere of influence update of the City of Huntington Beach, dated March 8, 2006, are hereby adopted.
- c) The Commission has adopted the accompanying Statement of Determinations for the City of Huntington Beach, shown as "Exhibit A."
- d) The Commission has amended the City of Huntington Beach's sphere of influence to include the unincorporated community of Sunset Beach as shown on the attached map labeled "Exhibit B."

Section 3. This review is assigned the following distinctive short-form designation: "Sphere of Influence Update for the City of Huntington Beach" (SOI 06-02).

Section 4. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

AYES: COMMISSIONERS \_\_\_\_\_

NOES: \_\_\_\_\_

STATE OF CALIFORNIA )

) SS.

COUNTY OF ORANGE )

I, ROBERT BOUER, Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 8<sup>th</sup> day of March, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand this 8<sup>th</sup> day of March, 2006.

ROBERT BOUER  
Chair of the Orange County  
Local Agency Formation Commission

By: \_\_\_\_\_  
Robert Bouer

## STATEMENT OF DETERMINATIONS

### **The present and planned land uses in the area, including agricultural and open-space lands.**

Development within the City's existing boundaries is largely built-out. The City's 19,359-acre sphere of influence, is located in Northern Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. The Huntington Beach sphere of influence includes two unincorporated areas – the Bolsa Chica Ecological Reserve and a 41-acre area located in the northeastern section of the city that is fully developed. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

Staff supports amending the City of Huntington Beach sphere of influence to include the unincorporated Sunset Beach community. This area includes approximately 84-acres of a fully developed residential area that is surrounded by the city to the north, south and east. Currently the area receives municipal services from the County Orange and the Sunset Beach Sanitary District. Adjacent to the community, Huntington Beach is the most logical service provider for the area.

### **The present and probable need for public facilities and services.**

The present and future need for services is addressed through the City's General Plan, budget, and seven-year capital improvement program to ensure that city services match projected growth. Staff supports amending the city's sphere to include the Sunset Beach community. As the city's services and facilities are adjacent to the area, Huntington Beach is the most logical service provider to the area. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

*The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The City and other service providers have adequate capacity and facilities to serve current and future land uses. Staff supports amending the city's sphere to include the Sunset Beach community, which is surrounded by Huntington Beach to the north,

## EXHIBIT A

south, and east. As the city's services and facilities are adjacent to the area, it is believed that Huntington Beach is capable of serving the Sunset Beach community and is the most logical service provider. The Bolsa Chica area is not included in this sphere review and is not discussed as part of this determination. The Bolsa Chica area will be reviewed at a later time.

### **The existence of any social or economic communities of interest in the area (if the commission determines that they are relevant to the agency).**

Because of the close proximity of the unincorporated community of Sunset Beach to the City of Huntington Beach, there may be common social and economic communities of interest involving residents from the community and the City. Staff recommends that the City of Huntington Beach's sphere be influence be amended to include the community of Sunset Beach to encourage residents to work more closely with the City over the next 15 to 20 years.

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
MAR 01 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

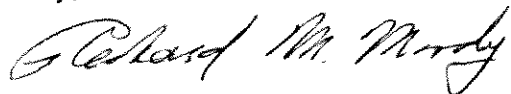
The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,





February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 28 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

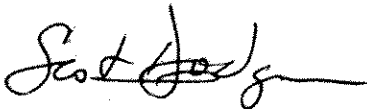
The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,



SCOT DODSON 16693 S. Pacific Ave. Sunset Beach.

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 28 2006  
LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Jean M. Reed*  
*Sunset Beach.*

RECEIVED  
FEB 28 2006

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly, *WILLIAM BILLY DADSON* 2.24.06  
CHAIRMAN COMMITTEE FOR LAST LCP FOR SUNSET  
IN PROB, SUNSET SANITARY DIST. OCEAN FRONT  
PROPERTY OWNER & RESIDENT FOR 50 YEARS.

February 22, 2005

RECEIVED  
FEB 28 2006

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Thelma Myers-Serwig*

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 28 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Janni Brown*  
P.O. Box 911  
Sunset Beach, CA 90742

February 22, 2006

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Re: Sunset Beach

Attention: Robert Baurer  
Chairman and Member of the Commission

Orange County  
LAFCO  
12 Civic Center Plaza  
Room 235  
Santa Ana, CA  
92701

Dear Chairman and Members,

As owners of property in Sunset Beach, California, for over fifty years we are concerned that the matter before your board would be a disaster if decided in such a way to place our Sanitary District under the sphere of influence of Huntington Beach.

We have had, and still do have, one of the best administrated and maintained sanitary districts--ou r sanitary district. Our sanitary district operates with much lower fees than fHuntington Beach or Seal Beach. Fortunately our sewer system has already been upgraded, whereas the other districts have before them substantial upgrading fees.

Please do not let our community, which we love, become part of possible change which would effect us all in a negative way.

Sincerely,

*Richard S. Arthur*

*Lois Anne Arthur*

Richard S. Arthur  
Lois Anne Arthur

LYMAN K. LOKKEN  
Phone: 562-592-3400

Post Office Box 1509, Sunset Beach, CA 90742-1509  
Fax: 562-592-2059

Cell: 562-508-9908

e-mail: lokkenl@adelphia.net

RECEIVED  
FEB 22 2006

February 20, 2006

Certified Mail-Return Receipt  
LOCAL AGENCY FORMATION COMMISSION

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701  
ATT: Robert Bouer, Chairman

RE: Sunset Beach Sanitary Dist.

Dear Chairman Bouer and Members of the Commission:

My understanding is that this letter will be distributed to you and other Commission members one week before the meeting scheduled for March 8<sup>th</sup>. At that time the Commission will discuss the status of the Sunset Beach Sanitary District ("District").

I am strongly opposed to the staff proposal to give the District a transitional sphere of influence. This change appears to be the same as a Zero sphere of influence.

Furthermore, I would like the Commission to note the following comments:

- This issue has been discussed on prior occasions however, each time the District has been allowed to remain independent. Attached as Exhibit one is an Examination of the Sunset Beach History prepared by Craig Hoad (his wife Gretchen Hoad, Esq. was a member of the MSA Committee).
- The District is well run and cost effective. Attached as Exhibit two a "Total Tax Comparison" prepared by Gregg Griffin, Treasurer of the District, showing that the total cost for a Sunset Beach user is \$316.38 per year, compared to \$416.56 in Huntington Beach or \$473.38 in Seal Beach (both of these cites have reported the need to extensively upgrade their systems).
- It should also be noted that residents in Sunset Beach get trash removal twice a week. If the schedule was changed to once a week the cost would be reduced, and the comparison would be even more favorable to the District.
- At present the sewer line in front of my house on South Pacific is about to be re-lined tomorrow. According to the District, *all of the lines will be re-lined within two months. Contrast this to the known conditions in the two adjacent cities.*
- The board members of the District are dedicated local citizens, who give freely of their time and expertise. At present the District has *one full time employee.* Nevertheless, this community has a fully up to date system because all of the

revenue is devoted to maintenance and upgrades and not diverted to other uses.  
Nor have there been any public spills or issues of this sort.

In view of the above and other information to be presented by the Sunset Beach Community Association, I urge the Commission to reject the proposed change to the District. Continue to allow the citizens of Sunset Beach to provide for this service on a cost effective basis.

Thank you for your consideration in this important matter.

Very Truly Yours,

  
Lyman K. Lokken

CC: Sunset Beach Sanitary District, ATT: John Woods  
Sunset Beach Community Association, ATT: Pat Thies



EXAMINATION OF SUNSET BEACH WOMEN'S CLUB FILES  
ON SUNSET BEACH HISTORY AND ANNEXATION ELEMENTS

Chronology

- 12/3/03 - Sunset Beach Company (a California corporation) deeds right of way through Sunset Beach to Pacific Electric Company.
- 1904 - Orange County Board of Supervisors approves map of Sunset Beach prepared by County Surveyor S.H. Finley, C.E. defining boundaries of Sunset Beach.
- 2/24/31 - Sunset Beach Chamber of Commerce petitions O.C. Board of Supervisors to construct curbs & a sidewalk along State Highway for entire length of Sunset Beach.
- 1/17/41 - Letter to all Sunset Beach property owners to meet & elect Sunset Beach Chamber of Commerce officers/directors as the community's only representation to County, State & Federal officials (Roosevelt had vetoed a beach erosion bill passed by both houses of Congress the previous year).
- 10/22/64 - minutes of Sunset Beach C. of C. meeting of 10/20/64 included a resolution that "the community of Sunset Beach is opposed to annexation by any municipality".
- 3/27/68 - Clerk of LAFCO receives a petition from Sunset Beach requesting establishment of a Sunset Beach Boulevard District of Orange County. Reasons given: grossly inadequate streets, parking, pedestrian walkways and development of a satisfactory plan by signatories of the request.
- 4/23/68 - Donald Strain petitions O.C. B.O.S. to organize a Sunset Beach Boulevard District under the California Streets & Highways Code Sec. 26060 and protests LAFCO hearings on the matter based upon lack of jurisdiction.
- 1/13/69 & 6/18/69 letters favoring annexation to Huntington Beach to forestall development of what is now the green strip (P.E. right-of-way), possibly written by Virginia Strain.
- 1973 - "Seal Beach City Councilmen stated that they would not annex Sunset Beach and will not stand in the way of Huntington Beach plans to absorb the seaside community".
- 6/13/73 motion of LAFCO Commissioner (Supervisor) Diedrich (seconded & carried) that this commission approves the sphere of influence for the City of Huntington Beach with the exception of the Sunset Beach area, as shown on the accompanying map....
- 2/15/74 - LAFCO Staff Report for City of Seal Beach Sphere of Influence - between 6/28/66 and 3/7/67, Seal Beach City Council met and adopted a motion that annexation of the community of

Sunset Beach would not be considered in the best interest of the City at the time.

On 6/13/73, the Commission (LAFCO) voted not to include the community of Sunset Beach in a sphere of influence for the City of Huntington Beach and further stated the community should not be placed in the sphere of influence of any city....the Commission stated that, because of its unique character, the community of Sunset Beach should not be placed in the sphere of influence of any city.... in addition, LAFCO, in reviewing the sphere of influence for the City of Huntington Beach, stated that the community of Sunset Beach should not be included in the sphere of influence of any city.

4/19/78 - State legislative counsel opines that Municipal Organization Act (MORGA) is constitutional. Allows cities to annex islands of less than 100 acres without the vote of property owners when specific set of conditions have been met. County Supervisors must approve this type of annexation.

5/31/78 - LA Times quotes Sunset Beach residents as saying that they do not want to be annexed to any city.

8/31/79 - Bill Bodenlos rings Harriet's chimes re/verification of accurate area measurement of Sunset Beach - greater or less than 100 acres ?

9/19/79 - Harriet replies that Sunset Beach area comprises 45 acres.

8/28/80 - LA Times points out that prop. 13 - related tax measure which did not pass prevents annexing cities from deciding how to distribute taxed revenue from annexed entities.

5/11/83 - LAFCO meeting - schedules consideration of Sunset Beach Sanitary District's sphere of influence for "the next few months".

12/14/83 - LAFCO meeting establishes the existing boundaries of the Sunset Beach Sanitary District as the district's sphere of influence.

1/5/84 - County Administrative Office Special Task Force Report to Bill Dodson - there does not appear to be a more cost-effective alternative for delivering sanitary services to (Sunset Beach) Therefore...the Task Force recommends that the SBSD remain in its present capacity.

1/25-26/84 - Long Beach Press-Telegram - Report to O.C. Supervisors suggests that Sunset Beach Sanitary District be allowed to continue because "it is efficient". Supervisors dissolve 5 others.

# SEWER AND TRASH COLLECTION -TOTAL TAX COMPARISON

TAX YEAR 2004/2005

## SUNSET BEACH SANITARY DISTRICT COMPARED TO OTHER COMMUNITIES

<u>District/City</u>	<u>Rossmore/Los Al</u>	<u>Seal Beach</u>	<u>Huntington Beach</u>	<u>Sunset Beach</u>
<u>Tax Bill--OCCSD</u>	115.00	115.00	115.00	316.38
<u>Water Bill</u>				
Sewer Basic		120.54	79.20	0.00
Sewer Sp. Assess.		69.96		0.00
<u>Trash Collection</u>	199.32	167.88	222.26	0.00
<u>Total Tax for Year</u>	314.32	473.38	416.56	316.38

Note that Sunset Beach residents pay just one "Sanitary Assessment" on their yearly tax bill. The Sunset Beach Sanitary District tax bill includes operating expenses, capital outlay, plus the OCCSD sewer disposal fee and the trash collection fee. The other communities have trash pickup once-a-week; Sunset Beach has trash pickup twice-a-week.

February 24, 2006

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

Dear Members of the LAFCO Commission:

LOCAL AGENCY FORMATION COMMISSION

My family is very much against the proposed inclusion of Sunset Beach within the sphere of influence of Huntington Beach. This plan has been set for a hearing on March 8 without giving us any notice. We have not had a chance to look into this plan or to inform the Sunset Beach residents about it.

We are very concerned that we will be annexed into Huntington Beach without any input from those most involved. We have been an independent community for many years and feel that our town is very well run. Our Sanitation Department is excellent and most of us have no wish to change this status. If you pursue this plan I can guarantee you that you will have many outraged citizens from Sunset Beach.

Yours truly,

  
Jean Hylton



RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

The LAFCO Board of Commissioners  
Chairman Bouer, and Members of the Commission

Feb. 20, 2006

Dear Chairman Bouer;

I am the current President of the Sunset Beach Community Association Board. As you all may know, the SBCA represents the residents of Sunset Beach to our Supervisor, Jim Silva. During the past 10 years as President, I have had a very good working relationship with Supervisor Silva. Many things have been accomplished in Sunset Beach with his help.

This past year and a half, there was a LAFCO Municipal Services Review, which included, Sunset Beach, Seal Beach, Rossmoor, and Los Alamitos. Two of our residents, one member of the SBCA board, and one member of our Sanitary Board spent many many hours at meetings to discuss this MSR.

As a result of this study, the LAFCO Commission is being asked to declare the Sunset Beach Sanitary District a "transitory" sphere of influence; a friendlier-sounding designation which really means the same thing as a Zero sphere of influence. Now this really makes me mad! We have one of the best run Sanitary Districts in Orange County, which costs our residents less than neighboring districts, and we will have completely new infrastructure by the middle of 2006. We also have two trash pickups a week. In all my years as President of the Sunset Beach Community Assoc., I have never had a complaint about our Sanitary District, and I do get a lot of complaints!

Another result of this study, Rossmoor was able to come up with a plan to hire a consultant whose fees were paid with matching funds from the County, to give additional powers to their CSD and to relieve the County's financial burden. As a result, Rossmoor's sphere of influence has been left coterminous with its boundaries, in accordance with the wishes of most of their community.

Also, LAFCO staff is recommending that the Commission make a partial determination that Huntington Beach's sphere of influence include Sunset Beach, without making any of the determinations required for an MSR for Huntington Beach by the Government code. It is not even clear whether anyone in Huntington Beach has been consulted with regard to this "partial" sphere designation. Certainly, the Community Association of Sunset Beach was not made aware of the content of this hearing until very recently, nor were we asked to comment. In addition, the Negative Declaration proposed by LAFCO staff does not take into consideration, or maybe is not even aware of the Sunset Beach Local Coastal Plan, that may seriously conflict with the development and zoning standards of Huntington Beach, resulting in a possible degradation of the goals of the Environmental Quality Act as it pertains to Sunset Beach.

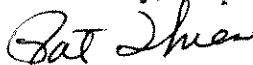
The Sunset Beach Local Coastal Plan was put into effect on March 30, 1983. It was adopted by Orange County and Certified by the California Coastal Commission. This plan carefully covers what should take place in Sunset Beach. It has all the factors of an environmental impact report. We asked why LAFCO did not do an EIR for Huntington Beach. Answer, and this was in the report, "I find that the proposed project could not have a significant effect on the environment, and a Negative Declaration will be prepared". I guess I don't understand EIR's, because how could there not be a significant effect on our environment, unless our LCP was to be accepted by Huntington Beach?

Time and time again, we have been told that Huntington Beach was not at all interested in annexing Sunset Beach. If this is the case, why is there such a rush, with a partial sphere designation, to place Sunset Beach within Huntington Beach's sphere? Updates are required every five years, and this issue can be revisited again.

In the meantime, we ask to be omitted from the sphere of influence of Huntington Beach, to give us time, as Rossmoor has been given, to determine a course of action for our future, perhaps through formation of a CSD.

A little history. Sunset Beach was 100 years old, in 2004. We are a real mix of old and new. We are a Community where most people know each other, if they don't they say hello anyway. We want the opportunity to see what we can do to be more independent and less costly to the County. We hope you will allow us this chance.

Sincerely,



Pat Thies, President

Sunset Beach Community Association Board

CC: Please see that each Commissioner has a copy of this letter for the March 8th LAFCO meeting. Thank You.  
Supervisor Jim Silva, Second District, County of Orange

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

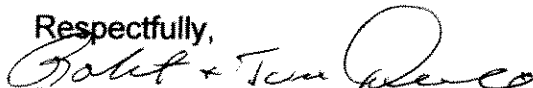
The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Respectfully,



Robert & June Driscoll  
17182 South Pacific  
P.O. Box 1678  
Sunset Beach, Ca. 90742

February 24, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Sheryl Rowland Sheminizu*  
*Met Sheminizu*



RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

February 22, 2005

Mister Robert Bouer, Chairman

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

**Re: Sunset Beach - Huntington Beach Sphere of Influence**

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and a efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County, Seal Beach, and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Best Regards,



Tom & Suzanne Burke  
P.O. Box 252  
16835 Bayview Drive  
Sunset Beach, CA 90742-0252  
tburke@burke-ent.com

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

LOCAL AGENCY FORMATION COMMISSION

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Edward W. Tuck*

Edward W. Tuck

16751 S. Pacific Avenue

P.O. Box 438

Sunset Beach, CA 90742

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. Sunset Beach is like no other community I have ever lived in. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community with it's own unique flavor and environment.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs. This has been possible for so many decades and wish to continue and maintain this wonderful and unique community.

Respectfully,



Diana M. Brown Dodson  
PO Box 911  
Sunset Beach, CA 90742

February 23, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,



Paul D. Pudenz  
Board Member  
Sunset Beach Community Association

February 22, 2005

Orange County LAFCO  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

RECEIVED  
FEB 27 2006

LOCAL AGENCY FORMATION COMMISSION

Attention: Robert Bouer, Chairman  
Re: Huntington Beach Sphere of Influence

Dear Chairman Bouer and Members of the Commission:

I would like to express my opposition to the LAFCO staff proposal to include Sunset Beach within the sphere of influence of Huntington Beach. The proposal was set for the March 8 hearing without any consultation with the residents of Sunset Beach.

The sphere of influence designation will lead to our annexation in the near future, without the opportunity of residents to protest. We will have no say in the concessions that the County may have to make to encourage such annexation.

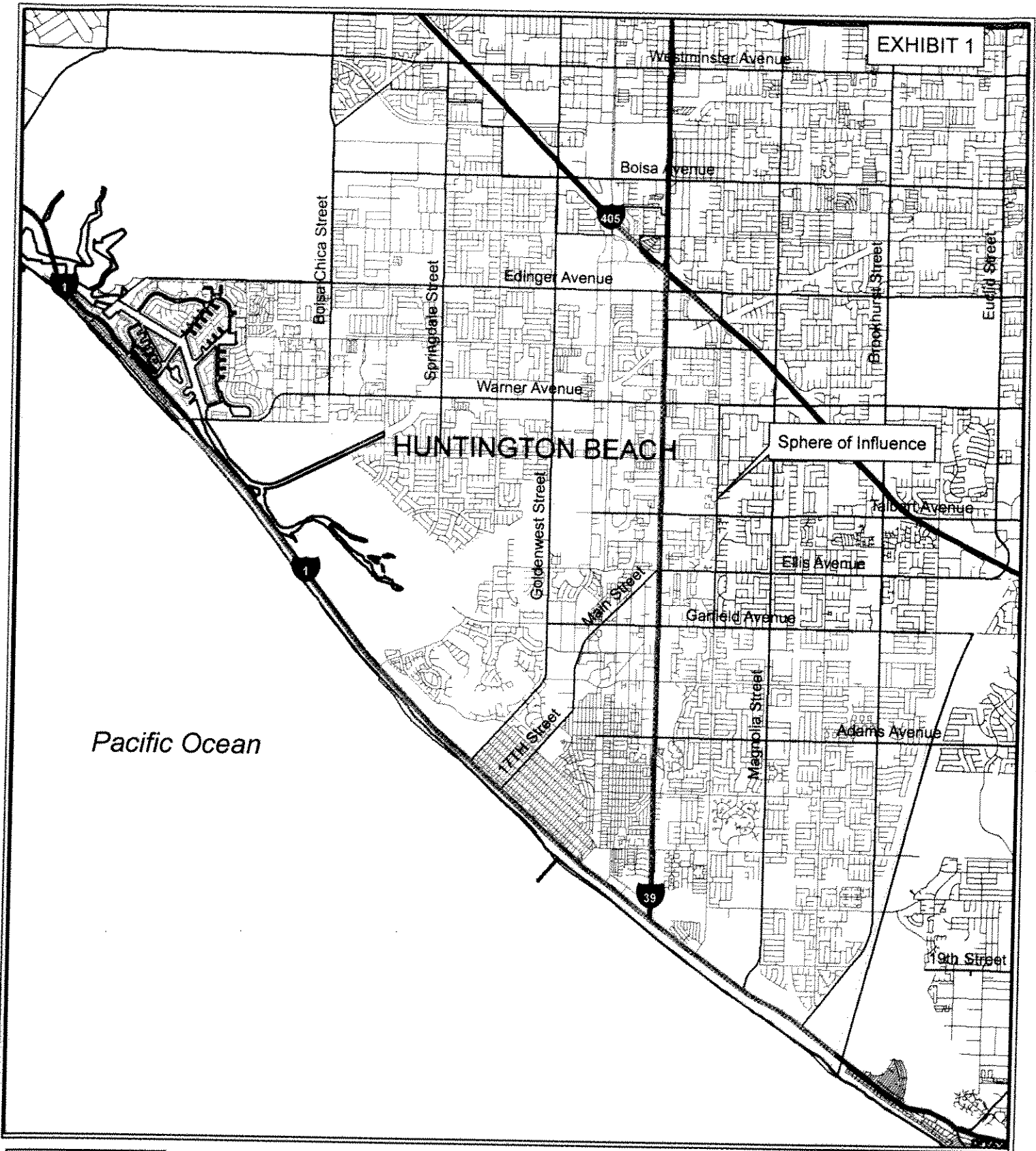
Because the cities have as many financial constraints as the County feels it has, annexation can only lead to intense commercial development of the beach, and on Pacific Coast Highway. Development will destroy the special and unique character of Sunset Beach as a friendly, welcoming and low-key beach experience for both residents and the many visitors from all over the County who come here to use the beach.

Our community has been in existence has an independent entity for over 100 years, and in past years, annexation attempts have been attempted but never have been successful because of recognition of the unique and historic character of our community. We have our own Fire Station, a Community Association to discuss and resolve community issues, a Local Coastal Plan that protects our coastal resources and an efficient and Sanitary District; in short, we are a functioning and successful small community.

Please give us a chance to work with the County and with each other to come up with a plan to keep our town independent, and yet help to control costs.

Yours truly,

*Bernadette Sam*



Pacific Ocean

HUNTINGTON BEACH

Sphere of Influence

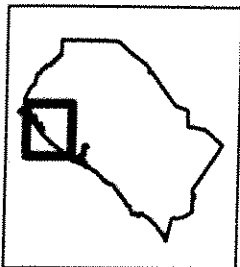
# City of Huntington Beach Sphere of Influence Map

## Legend

- City Boundary
- Proposed Sphere Amendment

SOI Originally Adopted: 06/13/73  
Last Reviewed: 11/01/89

03/08/06



1 0.5 0 Miles

